

23 May 1986
Appendix B.

IO3, AR 690-400

Office of Personnel Management Approval



United States
**Office of
Personnel Management**

Washington, D.C. 20415

In Reply, Refer To

Your Reference

APR 10 1986

Mr. Raymond J. Sumser
Director of Civilian Personnel
Department of the Army
Washington, D. C. 20310-0300

Dear Mr. Sumser:

The purpose of this letter is to approve the Performance Appraisal related parts of the Department of the Army's Performance Management Plan of the Performance Management System in accordance with 5 CFR Part 430, Subparts A and B.

This letter also acknowledges that the Performance Appraisal related parts (i.e., Parts II, III and VI of the PMRS checklist, FPM Bulletin 540-30) of the Department of the Army's Performance Management Plan of the Performance Management and Recognition System were approved by the Office of Personnel Management on January 16, 1986, in accordance with 5 U.S.C. 4305, 5 U.S.C. 5409, and FPM Bulletin 540-31. This letter supercedes the letter of January 16, 1986, in that it approves modifications to that system forwarded to this office on April 8, 1986, (e.g., changes in the names of summary rating levels 1 and 2 from "unsatisfactory" and "minimally satisfactory" to "unacceptable" and "minimally acceptable" respectively, and other administrative and technical conforming changes made for ease of reading).

Any other subsequent change to either your Performance Management System plan or your Performance Management and Recognition System plan must be submitted to this office for approval. When you have finalized the Army regulation for communicating these plans to your system, please forward a copy to this office for our files.

Sincerely,

Barbara L. Fiss
Acting Assistant Director
for Performance Management/WED

39

I03, AR 690-400

23 May 1986

2. Post these changes per DA Pam 310-13.

3. File this interim change in front of the "400" series of chapters in the basic Federal Personnel Manual.

(DAPE-CPL)

By Order of the Secretary of the Army:

JOHN A. WICKHAM, JR.
General, United States Army
Chief of Staff

Official:

R. A. DILWORTH
Brigadier General, United States Army
The Adjutant General

Distribution:

Active Army, ARNG, USAR: To be distributed in accordance with DA Form 12-4 requirements for the FPM.

Department of the Army
Washington, D. C.
27 June 1986

Immediate Action
INTERIM CHANGE

AR 690-400
Interim Change
No. 104
Expires 23 May 1988

Civilian Personnel

Employee Performance and Utilization

Justification. This interim change transmits copies of DA Forms 5397-R and 5398-R that are prescribed by Interim Change No. 103 dated 23 May 1986. This change authorizes local reproduction of these forms until they are available through normal distribution channels.

Expiration. This interim change expires 2 years from the date of publication and will be destroyed at that time unless sooner rescinded or superseded by a permanent change.

1. Post this change per DA Pam 310-13.
2. File this interim change in front of the "400" series of chapters in the basic Federal Personnel Manual.

(DAPE-CPL)

By Order of the Secretary of the Army:

JOHN A. WICKHAM, JR.
General, United States Army
Chief of Staff

Official:

R. L. DILWORTH
Brigadier General, United States Army
The Adjutant General

Distribution:

Active Army, ARNG, USAR: To be distributed in accordance with DA Form 12-4 requirements for the FPM.

CIVILIAN PERFORMANCE PLAN		PAGE OF PAGES		
For use of this form see AR 690 400, Chapter 430, the proponent agency is DCSPER				
PART I - ADMINISTRATIVE DATA				
1 NAME (Last, First, MI) AND SSN		2 NAME AND LOCATION OF EMPLOYING OFFICE		
3 POSITION TITLE AND NUMBER, PAY PLAN, SERIES AND GRADE/LEVEL				
PART II - PERFORMANCE ELEMENTS AND STANDARDS				
JOB ELEMENTS a	CE b	PERFORMANCE STANDARDS c		
PART III - AUTHENTICATION				
	SIGNATURE	DATE	SIGNATURE	DATE
1 SUPERVISOR				
2 REVIEWER/ APPROVING OFFICIAL				
3 EMPLOYEE*				
*Employee signature indicates that discussion, not necessarily agreement, has occurred				

DA FORM 5397-R, MAY 86

REPLACES DA FORM 4940 R (WS) OCT 80 and
DA FORMS 4968 and 4968 1 APR 81 WHICH ARE OBSOLETE

INSTRUCTIONS FOR DA FORM 5397-R (Complete in duplicate within 30 days of the beginning of the rating period.)

GENERAL INSTRUCTIONS

- a. The purpose of the performance plan is to inform the employee of what is to be accomplished during the rating period and how those accomplishments will be evaluated. This plan, when properly authenticated, may be used for more than one rating period.
- b. Performance plans will specify what the employee is expected to do, how well it is to be done, and when the products are due. The employee should fully participate in the development of the performance plan; however, final decisions will be made by the rating supervisor. The plan should be developed at the beginning of the rating period. It should be reviewed periodically during the rating period and updated as needed.
- c. Job elements are the major components of a job. They express the fundamental purposes of the job. Generally, the simpler and fewer the elements the better. Job elements can usually be identified by asking the questions: "Why does this position exist?" and "What is the overall purpose of the activities the employee is paid to perform?"
- d. Mission and function statements, organizational goals and objectives, and position descriptions should be considered in identifying job elements, but not identified as job elements, per se. Normally, job elements will be derived from consolidating and summarizing the employee duties and responsibilities reflected in these documents.
- e. A critical element is a major component of a job consisting of one or more duties and responsibilities which contribute to accomplishing organizational goals and objectives and which is of such importance that unacceptable performance on the element would result in unacceptable performance in the position. Noncritical elements are not recorded for Senior Executive Service (SES) employees.
- f. Each job not in the SES must have at least one critical element and one noncritical element. Each SES job must have at least two critical elements. In addition, Equal Employment Opportunity (EEO) will be a critical element in all supervisory positions assigned specific responsibilities for carrying out local affirmative action plan requirements and in management official positions when program management actions directly affect EEO.
- g. Performance standards express the results expected to be achieved during the rating period to accomplish the purpose of the job elements. The reason that performance standards are written is to allow for understanding and documentation. Therefore, standards should be written to allow performance to be measured in terms of quality, quantity, or timeliness. Not all standards can be measured by all three. In higher level positions, the quality of performance may be more important than quantity. The standards should concentrate on work outcomes or end products rather than work behaviors or work processes.
- h. The standards should be written at the "acceptable" level to permit the fully qualified, competent employee to meet the standards and the more competent employee to exceed them. Pass/fail standards (also called absolute standards) cannot be exceeded and should be avoided.
- i. Each standard must be specific, measurable, attainable, and within the control of the employee. Do not include standards of conduct, such as tardiness, absenteeism, or insubordination, which should be corrected through disciplinary procedures. Further, performance standards relating to personal traits, such as interpersonal relationships, resourcefulness, dependability, etc., are inappropriate unless they are clearly job-related and capable of being documented and measured. Do include manner of performance (e.g., *developing and maintaining good working relationships with representatives of other organizations*).
- j. For additional details when evaluating non-SES employees, refer to AR 690-400, chapter 430, Performance Management, and DA Pamphlet 690-32, Supervisor's Guide to Performance Management. For SES employees, refer to AR 690-900, chapter 920, Senior Executive Service.

PART I - ADMINISTRATIVE DATA (To be completed by the rating supervisor)

Items 1, 2, and 3. Self explanatory

PART II - PERFORMANCE ELEMENTS AND STANDARDS (To be completed by the rating supervisor with employee participation.)

Column a. List the job elements for which performance standards will be established. Ordinarily there will be 2-6 job elements for non-SES positions; at least one will be critical and one will be noncritical. There will be at least two critical elements for SES positions. Number each element sequentially (i.e., 1, 2, 3, etc.).

Column b. Enter "Yes" opposite each job element in column a which is a critical element. Enter "No" opposite each job element which is not a critical element. (Note: There will be no noncritical elements for SES positions.)

Column c. Enter the performance standards which the employee must meet for acceptable performance of each job element. This is an explanation of what the employee must do for satisfactory performance or performance at an acceptable level of competence. If additional space is needed, continue on a single sheet of 8-1/2 x 11-inch paper, showing the employee's name, position title, pay plan, series, and grade. Fill in the upper right-hand corner of DA Form 5397 to show the total number of pages, not to exceed two (i.e., the form and one page).

PART III - AUTHENTICATION (The rating supervisor, the reviewer/approving official, and the employee will sign and date both copies of the plan.)

Items 1, 2, and 3. Complete at the beginning of each rating period, upon change of rating supervisor, and when changes to job elements (including critical element designations or performance standards) are made during the rating period. The supervisor's signature indicates that the employee has been given an opportunity to take part in developing job elements and performance standards and that Part II has been discussed with the employee. The employee's signature indicates that the supervisor has discussed the plan with the employee. It does not necessarily mean that the employee agrees with the job elements and performance standards. If the employee refuses to sign and date the plan, the supervisor will so indicate in item 3, enter the date, give the original to the employee, and keep a copy. The date in item 3 will be the effective date of the plan.

Reverse of DA Form 5397-R, May 86

For use of this form, see AR 690-400, Chapter 430; the proponent agency is DCSPER

PART I - ADMINISTRATIVE DATA

1. NAME (Last, First, MI) AND SSN

2. NAME AND LOCATION OF EMPLOYING OFFICE

3. POSITION TITLE AND NUMBER, PAY PLAN, SERIES AND GRADE/LEVEL

4. PERIOD COVERED

5. UNDER SUPERVISION OF
CURRENT SUPERVISOR

6. TYPE OF RATING

☐ ANNUAL☐ SPECIAL☐ PROBATIONARY7. IF PROBATIONARY, INDICATE
RECOMMENDED ACTION☐ RETAIN☐ REMOVE FROM POSITION
(SF 52 attached)FROM
TO

FROM

PART II - PERFORMANCE EVALUATION

8.	JOB ELEMENT a	CE b	RATING c	JOB ELEMENT a	CE b	RATING c

9. ELEMENT RATING EXPLANATION

DA FORM 5398-R, May 86

REPLACES DA FORMS 4940 1 R, 4940 2 R and 4940 3 R, OCT 80
DA FORMS 4969 AND 4969 1, APR 81, WHICH ARE OBSOLETE

COPY

☐ EMPLOYEE☐ SUPERVISOR☐ RECORD☐ OTHER

PART II - PERFORMANCE EVALUATION (Continued)

9. ELEMENT RATING EXPLANATION (Continued)

PART III - INDIVIDUAL DEVELOPMENT PLAN

10.

PART IV - SENIOR EXECUTIVE SERVICE (SES) ONLY

11. RECOMMENDING OFFICIAL	RECOMMENDATIONS				12. RATING OFFICIAL APPROVAL	
	RATING a	SALARY b		PERFORMANCE AWARD (POINTS) c		SALARY ADJUSTMENT d
		YES	NO	YES	NO	
SUPERVISOR						ES _____
REVIEWING OFFICIAL (Optional)						
PERFORMANCE REVIEW BOARD						

Note: SES members may respond in writing to their initial ratings. They also may request higher executive level review either before ratings are submitted to the Performance Review Board or after final rating is assigned, but not both. See AR 690-900, chapter 920, Subchapter 5.

PART V - COMMENTS

13.

PART VI - SUMMARY RATING LEVEL

14. ☐ EXCEPTIONAL ☐ HIGHLY SUCCESSFUL ☐ FULLY SUCCESSFUL ☐ MINIMALLY ACCEPTABLE SATISFACTORY ☐ UNACCEPTABLE/UNSATISFACTORY

PART VII - AUTHENTICATION

15a. SUPERVISOR NAME AND TITLE	b. SIGNATURE	c. DATE
16a. REVIEWING OFFICIAL (Optional) NAME AND TITLE	b. SIGNATURE	c. DATE
17a. PRB REPRESENTATIVE NAME AND TITLE	b. SIGNATURE	c. DATE
18a. APPROVING/SES RATING OFFICIAL NAME AND TITLE	b. SIGNATURE	c. DATE
19a. EMPLOYEE NAME	b. SIGNATURE	c. DATE

Reverse of DA Form 5398-R, May 86

INSTRUCTIONS FOR DA FORM 5397
(Complete after the rating period ends)

PART I - ADMINISTRATIVE DATA (The servicing civilian personnel office or the rating supervisor will fill in this information for annual and probationary ratings. The rating supervisor will complete Part I for special ratings.)

Items 1 - 6 Self-explanatory.

Item 7 Only used for probationary ratings - Based on the employee's performance compared to performance standards, check the proper block, recommending that the employee be retained in or removed from the position.

PART II - PERFORMANCE EVALUATION (To be completed by the rating supervisor.)

Item 8a. Transfer elements from the employee's Civilian Performance Plan (DA Form 5397) to column a, using the numbers assigned to each element on DA Form 5397.

Item 8b. Enter "Yes" or "No", consistent with the entries in column b of DA Form 5397. (There will be no noncritical elements for SES positions.)

Item 8c. Compare the employee's performance of each element to the performance standards established for the element and enter the appropriate rating for each element: "E" if standards were exceeded, "M" if standards were met, "NM" if standards were not met, or "NR" if the employee had no opportunity to demonstrate performance of the element.

Item 9. Using the numbers assigned to each element in column 8a, explain "E", "NM", and "NR" ratings. Describe the results achieved by the employee. Enter appropriate remarks that have a bearing on the employee's performance (strengths and weaknesses) during the rating period. When the summary rating level in Part VI of this form is Fully Successful, explanations of "E" and "M" ratings are optional. Supervisors are encouraged, however, to use this opportunity to explain the basis for all element ratings assigned. For non-SES employees, when an exception to the summary rating level decision table (See Part VI below) is approved, the reasons for the exception will be explained in this part. If additional space is needed, continue on a single sheet of paper, 8-1/2 x 11 inches. Show the employee's name, position title, pay plan, series and grade on the continuation sheet.

PART III - INDIVIDUAL DEVELOPMENT PLAN (To be completed by the rating supervisor in consultation with the employee.)

Review the extent to which the previous IDP was accomplished. Specify formal training (course title, if known), developmental assignments (including on-the-job training), and self-development activities needed to develop/improve employee competence within the next rating period. (Refer to AR 690-400, chapter 410 for guidance on assessment of training needs. For the Senior Executive Service, refer to AR 690-900, chapter 920, subchapter b. NOTE: If the rated employee is not in the Senior Executive Service, go to Part V.)

PART IV - SENIOR EXECUTIVE SERVICE (SES) ONLY

Items 11a - 11c. Recommendations. Each official listed in the first column will enter the recommended rating: "E" for Exceptional, "HS" for Highly Successful, "FS" for Fully Successful, etc. For a salary adjustment, enter "Yes" or "No" and for a performance award (bonus), enter "Yes" or "No".

Items 12a and 12b. (To be completed by the rating official.) If a salary adjustment is approved, state the new rate; if a bonus is approved, show the percent of base pay approved.

PART V - COMMENTS

The employee, the rating officials, and the SES Performance Review Board representative may record their comments in this part.

PART VI - SUMMARY RATING LEVEL (To be completed by the supervisor for non-SES employees; by the rating official for SES employees.) Omit for PROBATIONARY ratings of GM employees and new supervisors/managers.

Check the box which best describes the employee's overall performance during the rating period, based on element ratings. The summary rating level should agree with the definitions below.

FOR NON-SES EMPLOYEES

Exceptional Exceeds performance standards for all critical and noncritical elements.

Highly Successful Exceeds performance standards for the majority of critical elements including EEO, meets performance standards for other critical elements, and at least meets performance standards for all noncritical elements.

Fully Successful At least meets performance standards for all critical and noncritical elements.

Minimally Acceptable At least meets performance standards for all critical elements and fails to meet performance standards for one or more noncritical elements.

Unacceptable Fails to meet performance standards for one or more critical elements.

(See AR 690-400, chapter 430, subchapter 3 for policies and procedures for deviating from the above definitions.)

For SES EMPLOYEES

Exceptional Performance in relation to performance standards is of such quality that it could only be achieved by the most exceptional executives. Exceeds performance standards for all elements. The executive deserves special recognition.

Highly Successful Performance in relation to performance standards is of such quality that it could only be achieved by executives who are substantially above average. At least meets performance standards for all elements. Exceeds the standards for some elements, including EEO. The executive sets a standard of performance which serves as an example to others.

Fully Successful Performance in relation to performance standards is of such quality that it would be expected only of a proven, competent executive. At least meets standards for all elements.

Minimally Satisfactory Performance in relation to performance standards is less than that expected of a proven, competent executive. Performance indicates a need for improvement in one or more elements. The executive must improve to warrant retention.

Unsatisfactory Performance in relation to performance standards is clearly unacceptable. Fails to meet standards for one or more elements.

(Separated from DA Form 5398-R, May 86)

VII - AUTHENTICATION

Items 15 - 19: Except for SES employees, the performance rating will be signed and dated, in the order shown, with the employee signing last after the rating has been approved. SES employees sign after discussion with the supervisor on their performance and the recommended rating. The employee's signature does not necessarily indicate agreement with the performance rating. If the employee refuses to sign and date the rating, the supervisor will note the employee's refusal in item 19, enter the date, and distribute the rating. The employee may enter comments in Part V. (Note. Item 17 applies ONLY for SES ratings.)

(Reverse of Instructions - DA Form 5398 R, May 86)

CHAPTER 430

Performance Appraisal

Contents

SUBCHAPTER 1. General Provisions

- 1—1. Introduction
- 1—2. Applicability
- 1—3. Agency Obligations Under 5 U.S.C. Chapter 71
- 1—4. Requirements Affecting System Design
- 1—5. Duration of Appraisal

SUBCHAPTER 2. The Appraisal Process

- 2—1. Identifying Performance Elements
- 2—2. Identifying Critical Elements
- 2—3. Establishing Performance Standards
- 2—4. Measuring Performance
- 2—5. Appraisal System Evaluation

APPENDIX A. Guidance on Improving Performance Appraisal

- A—1. Introduction
- A—2. Purposes of Performance Appraisal
- A—3. Characteristics of Effective Performance Appraisal Systems
- A—4. Development of Performance Standards
- A—5. Methods Used to Appraise Performance
- A—6. Improving Appraisals of Performance
- A—7. Follow Through and Continuity

For related information on—	
Text of pertinent laws, rules, and regulations	See— Supplement 990-1
Senior Executive Service and other executive personnel	Supplement 920-1*
Within-grade increases	
Federal Wage System	Supplement 532-1
General Schedule	Chapter 531
Completion of probationary period	Chapter 315
Promotion and internal placement	Chapter 335
Reduction in force	Chapter 351
Training	Chapter 410
Actions based on unacceptable performance	Chapter 432*
Incentive awards	Chapter 451
Quality increases	Chapter 531
Merit pay and cash awards	Chapter 540*

Subchapter 1. General Provisions

1-1. INTRODUCTION

a. *Coverage of this chapter.* This chapter provides guidance to agencies on performance appraisal for employees who are *not* in the Senior Executive Service and not excepted in section 430.201(b) and (c) of 5 CFR. It presents material which agencies may find helpful in establishing new performance appraisal systems or in improving current systems. The techniques and procedures covered are those for which there is a great deal of experience and which are supported by research results. They have proven to be very useful to a number of organizations in designing and implementing performance appraisal systems. Agencies are encouraged to use, modify and experiment to develop systems which will work best for them.

b. *Definitions.* Terms used in relation to performance appraisal in this chapter are defined as follows:

(1) *Appraisal system* means a performance appraisal system established by an agency under subchapter 1 of chapter 43 of title 5, United States Code, and Part 430 of 5 CFR, which provides for establishment of performance standards, identification of critical elements, communication of standards and critical elements to employees, establishment of methods and procedures to appraise performance against established standards, and appropriate use of appraisal information in making personnel decisions.

(2) *Performance* means an employee's accomplishment of assigned duties and responsibilities.

(3) *Appraisal* means comparison of an employee's performance of duties and responsibilities with performance standards.

(4) *Performance management* is the total process of observing an employee's performance in relation to performance requirements over a period of time, and of then making an appraisal of it. It includes such sub-processes as day-to-day working with employees to improve their performance and giving appraisals. Information gained from the process may be used to determine the relevancy of individual and work group performance to organizational purposes, improve the

effectiveness of the organizational unit, and improve the work performance of individuals.

(5) A *critical element* means a component of an employee's job that is of sufficient importance that performance below the minimum standard established by management requires remedial action and denial of a within-grade increase, and may be the basis for removing or reducing the grade level of that employee. Such action may be taken without regard to performance on other components of the job.

(6) *Performance standards* are the expressed measure of the level of achievement established by management for the duties and responsibilities of a position or group of positions. Performance standards may include, but are not limited to, elements such as quantity, quality and timeliness.

(7) *Appraisal period* means the period of time established by an appraisal system for which an employee's performance will be reviewed.

c. *Purpose of performance appraisal.* The primary purpose of the performance appraisal process is to improve organizational performance by providing management with information about employees' performance and employees with information about how they can improve their performance and possibly enhance their career opportunities. Managers need appraisal data to plan and assign work as well as to make personnel decisions which are in accordance with law, regulation, and agency policy. To be useful to all concerned, the performance appraisal process needs to be based on realistic and objective standards derived from the requirements of the position which are established and communicated in advance so that supervisors and subordinates have a common understanding of expected performance. These, simply stated, are the essential concepts underlying the applicable statutory and regulatory requirements.

d. *Sources of additional assistance in OPM.* The Special Programs Consulting Division of the Workforce Effectiveness and Development Group, Office of Personnel Management, P.O. Box 14108, Wash-

Federal Personnel Manual

Inst. 261
December 31, 1960

ington, D.C. 20048, and OPM's regional offices can assist agencies in improving their performance appraisal systems. Available materials include suggestions on developing and implementing performance appraisal systems, a checklist of regulatory requirements and other types of aids as well as technical assistance to agency managers in the following areas:

- (1) fitting performance appraisal into an overall performance management process;
- (2) developing goals, objectives, critical elements and performance standards;
- (3) tailoring appraisal systems to fit each organization's characteristics;
- (4) counseling, feedback, and interpersonal issues related to performance appraisal;
- (5) linking performance appraisal to pay, incentives, training, promotions, demotions and other personnel decisions;
- (6) advising on management and technical skills needed in the process of implementing appraisal systems; and
- (7) assessing the effects and effectiveness of appraisal systems.

1-2. APPLICABILITY

a. *Coverage.* Title 5, United States Code, Chapter 43 and 5 CFR Part 430 list agencies and employees covered by statute and regulation. As authorized by title 5, U.S.C., section 4301(2)(G), the Office of Personnel Management has excluded certain positions in the excepted service. Part 430, section 430.201(d) requires that agency requests for exclusion of positions in the excepted service must be submitted to the Director of the Office of Personnel Management. This section also requires that such requests be in writing and explain why such positions should be excluded.

b. *Special employment and work-study programs.* Employees in such programs as veterans readjustment and cooperative work-study are covered by 5 U.S.C., sections 4301 and 4302, for the purpose of performance appraisal. Depending on the nature and length of appointment, agencies may want to develop separate appraisal systems for such employees, or they may cover them in their systems for other employees covered by 5 U.S.C. 4301.

1-3. AGENCY OBLIGATIONS UNDER 5 U.S.C. CHAPTER 71

It is very important for agencies to recognize, and be responsive to, their obligations under 5 U.S.C. Chapter 71 when they are developing performance

appraisal systems which affect employees in existing bargaining units.

The Federal Labor Relations Authority has held that the duty to negotiate with representatives of bargaining unit employees does not extend to the content of performance standards or the identification of critical elements. However, the Authority did find that agencies have an obligation to bargain, consistent with law and regulation and to the extent of their discretion, on other aspects of the performance appraisal systems. Among these matters that are bargainable, the Authority specifically noted that agencies have a duty to bargain with exclusive representative(s) on such aspects of the appraisal systems as the form of the employee participation in the establishment of performance standards in accordance with 5 U.S.C. 4302, the procedures used to develop and implement performance standards and critical elements, and the arrangements for employees adversely affected by the application of performance standards to the employees.

It should be clear that the successful implementation of a performance appraisal system must ultimately rest on employee participation and acceptance. Where employees are represented by a labor organization, employee participation must be achieved through the union. This bilateral process may result in delay and compromise, but a final product agreed to by both management and the union can result in a more effective system since it will likely have greater credibility with employees. (See *National Treasury Employees Union and Department of the Treasury, Bureau of the Public Dept.*, 3 FLRA No. 119; and *American Federation of Government Employees, AFL-CIO, Local 32 and Office of Personnel Management, Washington, D.C.*, 3 FLRA No. 120.)

1-4. REQUIREMENTS AFFECTING SYSTEM DESIGN

a. *Number of systems.* Chapter 43 of title 5, United States Code, section 4302, requires that agencies establish one or more appraisal systems. There is no simple formula that may be used to determine the number of systems an agency needs. Some agencies in the past have used a single system to meet their needs for appraisal information while others have used more than one system. Of course, the number of appraisal systems needed will vary from agency to agency and will depend on several factors. Designers of appraisal systems should be aware that performance

Subchapter I. General Provisions

appraisal information is needed for many purposes; e.g., 5 U.S.C. 4302 requires that the results of performance appraisals be used as the basis for a number of personnel decisions. Designers need to determine whether these purposes can best be served by a single system or multiple systems. Other factors such as the characteristics of the organization should be considered in determining the number of systems needed. Answers to the following questions on organizational characteristics will help in determining the number of systems needed.

(1) Are employees of the agency centrally located or are they geographically dispersed?

(2) Are there occupational groupings or job families that cut across organizations which could serve as a basis for a system?

(3) Are there genuine differences in the types of work performed by an organization(s) which result in the need to use substantially different appraisal methods and procedures?

(4) Have organizational delegations been made or functions assigned in such a way as to make it more efficient and economical to have more than one system?

(5) Are there a number of pay systems which, because of the nature of the work, have different appraisal needs?

b. *Length of appraisal periods.* The primary purpose of the periodic appraisal is to assure that supervisors regularly review employees' performance, give employees feedback about their performance, and provide information needed for various personnel decisions. While it generally will be useful to provide for an appraisal period of one year in length, agency systems may provide for an appraisal period of shorter or longer length. A system may provide for an appraisal period of uniform length or it may vary the length according to the nature or level of the work performed or the type of tenure or appointment involved. However, annual appraisals are necessary for certain personnel decisions, e.g., merit pay and within-grade increases. The key to establishing the length of the appraisal period is that it must meet agency needs.

c. *Timing of appraisals.* Agencies have broad discretion in determining the timing of appraisals. An agency may establish a single appraisal date for all employees or may stagger the appraisals by grade, organizational unit, type of work performed, deadlines for making particular personnel decisions (such

as merit pay determinations), or other appropriate factors. In order to retain flexibility, systems also need to provide for modifying the schedule when special situations arise. An agency may require that employees serve a minimum amount of time in their positions before being appraised or may provide only that employees be assigned in their positions long enough for supervisors to be able to make objective appraisals. Similarly, provisions may be made for situations in which supervisors are new to their positions or for employees who have been on extended leave or detail. Appraisals may be given and new appraisal periods may begin when supervisors or subordinates change positions or when major changes in performance standards occur. In addition, an agency may make an appraisal at any time an employee's performance significantly improves or deteriorates under such policies and procedures as it may establish.

d. *Appraisals for different purposes.* The appraisal system has many purposes, each of which is served by other personnel management programs. It should be designed, therefore, to serve the ends of each of these programs. In designing an appraisal system an agency needs to consider the different kinds of information needed to make personnel management decisions. Some, such as acceptable level of competence, reduction in force, and merit pay decisions, are based solely on the summary appraisal of an individual employee's performance. In other situations a decision to be made may depend upon information that distinguishes the level of performance on individual performance elements, for example, a decision to recommend or approve training designed to enhance performance on a particular performance element(s). Specific kinds of information are needed with regard to merit promotion. Appraisal information that will be used for promotion purposes should be relevant to the target job as well as the individual's present position. Therefore, information about ability to perform in a different job may have to be provided separately or at different times than the regular appraisal. In providing appraisal data, it may be useful for supervisors to utilize records of discussions held with their subordinates about their performance.

e. *Recording appraisals.* Agencies may use any suitable method of recording appraisal data. Although appraisal information for an employee may be summarized by an adjective, number, etc., at an agency's option, summary categorization alone would be insufficient to serve the purposes intended by the law.

f. *Appraisal forms.* Forms should not be relied upon to carry the weight of implementing a performance appraisal system. Forms should support rather than control the overall system and should be designed with the ultimate uses of the appraisal data in mind.

g. *Records.* 5 CFR Part 293 sets forth procedures for maintaining employee performance records. Specific factors which need to be considered in related documentation include the following:

(1) types of forms or documents essential to record or support an appraisal;

(2) distinction between permanent and temporary records;

(3) record retention locations and schedules;

(4) recordkeeping requirements of the Uniform Guidelines on Employee Selection Procedures;

(5) intended uses of records; and

(6) control of records to prevent unwarranted invasions of personal privacy.

h. *Labor-management relations.* In dealing with employees in exclusive bargaining units, agencies should be mindful of their obligation under chapter 71 of title 5, U.S.C., to labor organizations with exclusive representation or national consultation rights.

i. *Equal employment opportunity.* In making personnel decisions which use performance appraisal information, agencies need to be aware of the potential applicability of statutory and regulatory requirements for equal employment opportunity, relevant U.S. Supreme Court decisions, and the Uniform Guidelines on Employee Selection Procedures.

1-5. DURATION OF APPRAISAL

5 CFR Part 430 provides that the performance of employees will generally be appraised on at least an annual basis. There are occasions when an agency may want to appraise an employee's performance on less than an annual basis because of a change in his or her employment status. A performance appraisal is in effect until it is replaced by another performance appraisal under the agency appraisal system. However, when an employee enters a new position the agency may appraise the employee's performance as soon as the employee has been in the new position long enough for the supervisors to make an objective appraisal. For example, when an employee is promoted or reassigned near the beginning or end of the appraisal period the agency may appraise the performance of the employee in the new position when it determines that the supervisor is able to make an objective appraisal. For most positions 120 days is considered the minimum amount of time in which a supervisor would be able to make an objective appraisal. This practice would ensure that employees have a relevant performance appraisal based on current duties and responsibilities assigned. A newly appointed employee to the Federal Service or an employee who transfers to another agency is assumed to have an entrance performance appraisal of satisfactory, or whatever equivalent performance appraisal the agency uses to describe such overall performance appraisal, until it is replaced by one based on actual performance.

Subchapter 2. The Appraisal Process

2-1. IDENTIFYING PERFORMANCE ELEMENTS

a. *Methods.* There are a number of sources of information that are helpful in identifying and establishing performance elements—position descriptions, mission or functional statements, budget and planning documents, etc. Obviously, there are many approaches to the development of performance elements for a position—job analysis, task analysis, position description review, etc. There is no 'right way'—what is important is that the performance elements should be clearly stated and based on the major duties of the job. The guidance in this chapter is limited to the position description review approach since it is the easiest to use and the position description normally contains most of the information needed to identify performance elements.

b. *Position description review.* A preliminary step in the appraisal process is an analysis of what the job requires. While most performance elements will relate to results and products, behavior—how a job is done rather than what is accomplished—also, may be appropriately included, as in the case of courtesy to the public. Some form of analysis is necessary for agencies to ensure that all important performance elements are included. In developing performance elements, a thorough review of the position description should be made. The "major duties" section of the position description states what the job requires. It should, in effect, contain most of the performance elements for the job. Other sections of the position description—supervisory controls, guidelines, scope and complexity, and personal contacts—will provide additional information for identifying performance elements. If the analysis reveals that an employee has duties and responsibilities that are inconsistent with the position description, the supervisor or other responsible official should see that appropriate corrective action such as rewriting the position description is taken. 5 CFR Part 430 requires that performance standards and crit-

ical elements be consistent with the duties and responsibilities contained in employees' position descriptions.

c. *Performance elements.* The analysis discussed above will identify the most important aspects of an employee's work. These elements may represent any level of specificity and may therefore correspond to what are commonly called tasks, duties, functions, responsibilities, performance objectives, performance dimensions, or other terms for job components. When performance elements have been identified, and before standards are set, it may be helpful to ask the following questions.

- (1) Are the elements all inclusive and understandable?
- (2) Are the elements consistent with the position description, functional statement, budget or planning documents, or some other administrative requirement?
- (3) Is the total job covered?
- (4) Are there elements relating to behavior? If so, do they relate to those aspects of the (work) behaviors that can be observed and measured?
- (5) Do the elements refer to work activities under the control of the employee?
- (6) Is there a way to measure performance? If so, what existing indicators will provide information about performance? If not, what additional steps would be required to provide this information?
- (7) Are they compatible with and supportive of results assigned to other organizations in your agency?
- (8) Are the elements clear and specific?
- (9) Are the performance elements defined too broadly to provide useful information or so specifically and narrowly that the information to be provided would not be useful or would be too costly to obtain?
- (10) Are all elements the same for all employees of the work unit who have the same position description? If not, can differences in elements be explained and justified?

2-2. IDENTIFYING CRITICAL ELEMENTS

a. *Methods.* The same techniques used to identify performance elements can be used to identify critical elements. In fact, some, but not necessarily all, performance elements may be designated critical elements. As indicated above there are a number of methods that may be used to identify critical elements. Whatever method is used, agencies need to insure that all critical elements are identified and designated as such. It is the responsibility of agencies to determine the method(s) to be used in identifying critical elements. Supervisors and managers are responsible for determining the number of critical elements for a position.

b. *Identification.* Once all the performance elements have been developed the supervisor needs to determine which one(s) should be critical. Agencies have wide latitude in determining the scope and specificity of a performance element, including critical elements. They may appropriately range from major duties or responsibilities to specific tasks. The key is that critical elements need to reflect the more important duties of the position. They should be the components of the position which bear a significant relationship to the basic purpose of the position and to mission accomplishment. 5 CFR Part 430 requires that they be in writing and a copy given to the employee. The number of critical elements will vary from job to job depending upon the nature and scope of the duties or responsibilities assigned to the job. However, the number needs to be manageable and reflect the major components of the job. Every position should have at least one critical element, and where there is more than one critical element agencies may consider the value of ranking each critical element according to its importance to the position. Weights should then be assigned to reflect the rankings. Critical elements for supervisors and managers should reflect organizational as well as individual duties and responsibilities. Furthering equal employment opportunity, when appropriate, should be an element for all supervisors and managers who are responsible for appraising the performance of employees. Answering "yes" to four basic questions generally will help in determining whether an element is critical: Is it a major component of the job? If the element were not included would the work that is carried out by the organization or other organizations be adversely affected? Does unacceptable performance on the element have serious consequences to

accomplishing the work of the organization? Are you willing to initiate action for the removal or demotion of the employee if the performance standard for this element is not met? Other questions which may help in determining whether an element is critical are:

- (1) Is it a regular, recurring part of the job?
- (2) Is it directly related to mission accomplishment?
- (3) What is the consequence of error?
- (4) Is it a primary responsibility of the employee?
- (5) Does it require a significant amount of the employee's time on the job?
- (6) Is there a statutory or regulatory requirement related to its performance?
- (7) Is it important to successful performance for some other reason?

2-3. ESTABLISHING PERFORMANCE STANDARDS

a. *Types of performance standards.* A performance standard is a measure of the level of achievement established by agency management for the duties and responsibilities of a position or group of positions. It is a statement of a level of accomplishment at which a performance element is to be carried out during a specified period of time. Standards may be based on work outcomes expressed in terms of quality, quantity, timeliness, or expected results. They also may be based on observable work behaviors (how a job is done rather than what is accomplished). The only restriction on the type of standards used is that they should permit accurate evaluation of job performance in relation to the requirements of the position.

b. *Characteristics of good standards.* Each standard should be objective, realistic, reasonable, and clearly stated in writing. A good standard measures what it purports to measure. In setting performance standards, it is necessary to consider how performance will be measured. The standard, when feasible, should be established in such a way that the performance can be measured in terms of cost, timeliness, quality, quantity, accuracy, and/or expected results. When it is desirable to appraise work behaviors, the performance should be both observable and measurable. Standards should reflect the degree of difficulty as well as the consequences of the work outcomes to the organization and its mission. There are significant advantages in setting the standards at a level of performance high enough so that employees have to stretch their efforts and abilities to achieve them, but

Subchapter 2. The Appraisal Process

100-9

not to the extent they are unattainable. A range of levels of performance, where possible, may be established to provide information for employees and for various personnel decisions such as merit pay and cash awards. When several levels are established each level of performance should be clearly defined to avoid confusion and misunderstanding. Answering "yes" to the following questions will help assure the adequacy, appropriateness, and completeness of performance standards.

(1) Are standards clearly and simply stated and do they cover all critical elements?

(2) Do standards clearly state how well or how accurate (quality), how soon or when (timeliness), how many or how much (quantity), and in what manner each performance element is to be carried out? Where feasible, are work units used, and do they allow a reasonable margin or tolerance?

(3) Do standards truly reflect "fully successful performance" or its equivalent?

(4) Are standards attainable and can they be exceeded?

(5) Will adequate performance as shown in the standards produce the required results?

(6) Where essential, do standards clearly reflect management's responsibilities in terms of observance of rules and regulations and safety requirements?

(7) Do standards show how much and how well employees are expected to do without using qualifying statements such as "know", "is able", or "processes"?

(8) Are standards written so that "unacceptable performance can be clearly identified and remedial action justified?

(9) Where feasible, are standards written so that performance levels of "outstanding" or "excellent" or their equivalent can be clearly distinguished from "fully successful" or its equivalent performance and an incentive award nomination substantiated?

(10) Were all standards discussed with employees before arriving at a decision?

(11) Have the standards been discussed, when essential, with the next level of supervision to ensure that they are "in line" with other offices or units of the organization?

(12) Do standards for supervisory positions reflect both organizational and individual responsibilities?

(13) Are all standards the same for all employees of the work unit who have the same position descrip-

tion? If not, can differences in standards be explained and justified?

c. *Variations in critical elements and performance standards.* Some variations in performance standards and critical elements for similar positions both among agencies and within agencies are normal because of differing missions and organizational climates, differences in the character of technology of the work, and distribution of work among individual employees. However, particular care should be taken to ensure that employees are treated equitably within each organization developing standards and that differences in standards and critical elements reflect real differences in the jobs. This is particularly important when dealing with "identical" jobs in the same grade, series, and organization. Invalid variations can be eliminated by conducting a thorough job analysis and setting performance standards accordingly and by providing uniform training and expert technical assistance to individuals responsible for establishing standards and identifying critical elements.

d. *Employee participation in establishing standards.* Although agency management has the ultimate responsibility for establishing performance standards, employee participation is encouraged by statute because it is good management practice. Employees usually have a great deal of knowledge about the requirements of their jobs and also tend to be more committed to achieving expected levels of performance when they have had an opportunity to participate in establishing those levels. Employee participation can occur in a number of ways, ranging from discussions between all or a representative sample of the employees and their supervisors to a periodic or continuous program of soliciting and following up on employee views regarding performance standards. The form of employee participation, when members of a bargaining unit are concerned, is subject to negotiations between the agency and the exclusive representative, (see 1-3, Agency Obligations Under 5 U.S.C. Chapter 71, above).

e. *Documentation.* 5 CFR Part 430 requires that agencies put performance standards and critical elements in writing. Good personnel management practice dictates that non-critical elements also should be put in writing. This documentation has obvious advantages. Written standards and performance elements can be signed by both supervisor and employee, who can then retain copies for future reference. This

reduces the possibility of future disagreement about what was expected. Written standards may be needed as documentation for future personnel actions. It is just as necessary to show how an employee's performance merits an award as it is to show how an employee's performance failed to meet standards in a proposed removal or reduction in grade. Documentation, however, should be kept as simple and precise as possible and there should be provision for updating as significant changes in positions occur.

f. *Communication.* Agencies may adopt any suitable means of communicating performance standards and critical elements to employees. A common and useful method is through supervisor-subordinate discussions about what is expected during the coming appraisal period. Effective two-way communication about a job before the appraisal period begins can provide the opportunity to identify and promptly resolve any misunderstandings. Agencies should strive for full understanding between the supervisor, employee and second-level supervisor. When such agreement is unattainable, the supervisor is responsible for deciding what is expected and for advising the employee of that decision. Any changes in the standards or critical elements also need to be communicated and discussed with the employee. Further, communication and counseling during the work planning and the appraisal period will help ensure that work activity will be consistent with organizational goals. Such communication together with written standards may also reduce the likelihood of disagreements when the appraisal is made at the end of the period.

2-4. MEASURING PERFORMANCE

a. *Basic considerations.* The performance of an employee is the result of his or her accomplishments as they are influenced by factors such as the skill and the ability of the employee and the work environment. Any method used to measure performance should be objective, relevant, and meaningful. In measuring performance there are two basic factors that should be considered. These are *content*, i.e., *what* is measured and *process* or *how* it is measured. 5 U.S.C. 4302 requires that performance standards be established which permit the accurate evaluation of job performance on the basis of objective criteria and that employees be evaluated during the appraisal period on such standards. Therefore, the use of traits such as dependability, interest, reliability, and initiative in

measuring employee performance would not meet statutory requirements unless clearly job-related and they can be documented and measured. This essentially means that the elements and standards should be performance-related rather than trait-related. Those who establish elements and set standards should consider carefully what it is they want to measure. A number of managers and supervisors may want to consider certain behavioral traits that they believe have some bearing on the quality of performance, e.g., dependability. It may be helpful to describe what it is that is to be measured. For example, does dependability refer to one who carries out assignments on his or her own, sees that necessary things get done, can be depended upon in terms of presence on the job and effective use of time, and one who accepts responsibility? If so, then "one who carries out assignments on his or her own," "one who sees that necessary things get done," and "one who can be depended upon in terms of effective use of time" refer to the quantity, quality, and timeliness of work products and the standard should be set accordingly. "Presence on the job" refers to conduct rather than performance even though it could be a factor in whether an employee meets the standard set. Performance should be measured against established standards that are based on the duties and responsibilities of the position. There are several techniques for measuring performance such as rating scales, checklists, and results-oriented evaluation procedures. Several appraisal systems are discussed in appendix A of this chapter. Agencies may use any of the systems described therein or any other combination of content and process components which meets the requirements of statute and regulation (see subchapter 1).

c. *Role of the supervisor.* Appraising employee performance is an integral part of the act of supervising. The supervisor is the key to implementing and maintaining an effective performance appraisal system. The role of supervisors is to review performance with employees, as individuals or as a group, in order to advise or otherwise assist them to achieve a high level of performance or to assist them in overcoming obstacles to achieving high level performance. 5 CFR Part 430 requires that remedial action be taken when below standard performance occurs in one critical element, regardless of satisfactory performance on other elements. However, in addition to the requirement that employees be given the opportunity to dem-

onstrate acceptable performance before proposing a reduction in grade or removal, there is also the requirement that supervisors help employees improve their performance. Improvement actions can include training, counseling, or closer supervision before moving on to more severe actions. There is no single solution to all problems; therefore, supervisors need to tailor their actions to the specific situations. In the event that remedial actions are ineffective, the supervisor should initiate action to reassign, reduce in grade or remove the employee based on substandard performance on one or more critical elements. Likewise, for those employees whose performance deserve some form of recognition, the supervisor should initiate action to ensure that such performance does not go unrewarded. Supervisors should also view the appraisal process as a tool to assist them in carrying out their personnel management responsibilities. It is important that supervisors be given the time in which to evaluate their employees. Supervisors should be convinced that it is a job that must be done so well that it will require thought, time, and effort. Ideally, they should look at the task of appraising employee performance as one of the primary means of achieving their organization's goals and, as a logical outcome of this conviction, they should be willing to be evaluated on how well they appraise the performance of their employees.

d. *Role of the personnel office.* Historically any program to appraise the performance of employees has been viewed as one imposed by the personnel office. This view may be attributed to the fact that the personnel office has traditionally assumed a dominant role in the development and in the administration of performance evaluation programs. Therefore, the impression has been created that the program is imposed by the personnel office and is not relevant for operating activities. The operating manager and the personnel office both share responsibility for the performance appraisal program. The day-to-day administration should be a line management responsibility with the personnel office serving in a supporting capacity. The role of the personnel office should be to furnish management officials with the technical information needed to implement and operate the program, process information collected, maintain employee records, evaluate how the program is carried out, and to carry out research to determine the most effective appraisal techniques.

2-5. APPRAISAL SYSTEM EVALUATION

a. *General.* As with any management program, one of the essential aspects of a performance appraisal system is a provision for its continuous review, assessment, and when needed, revision. A performance appraisal system should be reviewed periodically to assess how effectively it is operating, how efficiently it is being administered, how it is being accepted by those it covers, what problems it is giving rise to, and to make revisions when new techniques have been developed which will make the appraisal system more effective.

b. *Methods.* An agency should insure that it obtains adequate information about the way in which its appraisal system is functioning in relation to the objectives of the performance appraisal system, the general level of performance throughout the agency, and the extent to which appraisal results are used in making personnel decisions. There are several methods that an agency may use to evaluate the effectiveness of an appraisal system. An agency may interview supervisors and employees, analyze the results of periodic reports, use questionnaires to survey the views of employees and supervisors, or carry out special studies to identify problem areas or weaknesses in the system. While no one method may provide all the information needed to evaluate an appraisal system, an agency may consider using more than one method to obtain adequate information. Whichever method or combination of methods is used the evaluation should provide enough information to answer questions such as the following:

(1) Are appraisals used to make personnel management decisions such as promotions, training, retention, awards, within-grade increases, reassignments, etc.?

(2) Do managers and supervisors understand the purpose and objectives of the appraisal system? Or is there a lack of knowledge and understanding of the purpose and objectives?

(3) Is the time required by managers and supervisors to carry out their part in the appraisal process considered an integral part of their supervisory responsibilities? Or is the appraisal of employee performance largely left up to each manager and supervisor to do it when he or she considers it appropriate or in his/her spare time?

Appendix A.

Guidance on Improving Performance Appraisal

A-1. INTRODUCTION

a. *Use of guidance.* This appendix provides information for guidance in setting up new performance appraisal systems or in improving current systems. Its use is discretionary with agencies. The techniques and procedures covered are those for which there is a great deal of experience or is supported by research results. They have proven to be very helpful to a number of organizations in designing or revising performance appraisal systems. Agencies are encouraged to use, modify, and experiment with the guidance to develop system which will work best for them. At present, several agencies have programs which use one or more of the methods and approaches discussed.

b. *Some current complaints.* Performance appraisal is a means of obtaining needed information on which management and employees can base work-related decisions. Since performance appraisal is important to many goals of personnel management and since it also involves the inexact process of one human being assessing the work accomplishment of another, it is not surprising that methods for improving performance appraisal are much needed but difficult to prescribe. Performance appraisal has been extensively used and sometimes misused. Typical complaints about it are illustrated by the following situations:

- (1) An employee is reluctant to discuss developmental needs because of feelings that management will use those weaknesses to deny promotions.
- (2) A supervisor expresses reluctance to discuss critical appraisals with employees.
- (3) A supervisor complains that performance appraisal is pointless paper work.
- (4) It is difficult for a single evaluator or different evaluators to apply performance standards consistently to all employees.

c. *Challenges for the future.* Although research continues in the area of human behavior and motivation, as yet there is no method of appraisal which

is free from human error and errors due to lack of precision in the appraisal tools. Future advances in the field will bring new insights and solutions to old problems. In the meantime, however, improvements are possible by making use of what is now known. We can:

- (1) clarify our objectives;
- (2) develop methods to meet specific goals;
- (3) design instruments which call for measurement of performance against objective criteria;
- (4) develop better measures of managerial performance, e.g., workforce utilization, cost of activities, client or user satisfaction, etc.;
- (5) develop procedures for increasing communication about work between supervisor and subordinate;
- (6) increase skills of supervisors and managers in providing feedback to employees and improving interpersonal relations to help supervisors improve productivity and better handle employee work problems; and,
- (7) put them all into a program designed to benefit employees, supervisors, and managers.

A-2. PURPOSES OF PERFORMANCE APPRAISAL

a. *General.* The appraisal of performance should not take place in a vacuum; it should be carried out in the context of improving agency effectiveness by better management of its human resources. Thus, the role of performance appraisal in modern personnel management is two-fold:

- (1) to improve the management of staff resources by helping employees realize and utilize their full potential in carrying out the agency mission; and
- (2) to provide information to employees, supervisors, and managers for use in making work-related decisions.

The two categories overlap somewhat in the following breakdown.

Better use of staff resources. Performance appraisal can help managers and supervisors to:

- (a) stimulate improved work performance and commitment to agency goals;
- (b) assign work more efficiently;
- (c) improve job placement, i.e., make better employee-job matches;
- (d) keep employees advised of what is expected of them and how well they are meeting these expectations;
- (e) recognize and more effectively deal with performance deficiency problems;
- (f) meet employees' needs for growth and development, including training needs, developmental assignments, etc.;
- (g) assist employees in setting career goals;
- (h) foster an effective working partnership between supervisor and employees; and
- (i) recognize employees' potential for development as executives and managers.

b. *Basis for personnel actions and decisions.* 5 U.S.C. 4302 requires that the results of performance appraisal be used in the following personnel actions.

(1) *Within-grade increases.* 5 C.F.R., Part 531 requires that general schedule employees be performing at an acceptable level of competence before they may be granted within-grade increases. Additional step increases (quality increases) may be granted for high quality performance. A Federal wage employee with a current performance appraisal of satisfactory or better (or the equivalent) under an approved agency performance appraisal system automatically may be granted a within-grade increase.

(2) *Merit promotion.* (applies to competitive service only) Appraisals of performance may be used in evaluating candidates for selection for another position.

(3) *Career development.* Appraisals of performance may bring to light a possible need for further development, either through classroom or on-the-job training, to improve employee effectiveness.

(4) *Recognition and awards.* Performance appraisals provide a basis for awards or other recognition for superior, excellent, or exemplary service.

(5) *Probationary period completion.* New employees should be carefully observed and appraised during the probationary period to determine whether they have the knowledge, skills and abilities needed to become satisfactory career employees. Likewise, the individuals serving a supervisory or managerial probationary period need to be observed carefully to

determine whether they perform their supervisory or managerial duties acceptably.

(6) *Reduction in force.* An employee's current performance appraisal is one of the factors considered in determining that person's retention standing in a reduction in force.

(7) *Reassignment.* The advisability of making reassignments for personnel management reasons including on-the-job training, better employee match, or unacceptable performance in the current job may become evident during appraisal of performance.

(8) *Warning.* The information gained from the continuing process of performance management may reveal a problem for which a warning is appropriate. Such action should be timely and, therefore, not wait until a performance appraisal is due.

(9) *Removal or reduction in grade.* 5 U.S.C. 4303 requires that a removal or reduction in grade based on performance be supported by a written notice giving the specific instances of unacceptable performance.

(10) *Merit pay.* Supervisors and management officials at the GS-13 through GS-15 levels will receive merit pay increases based on individual and organizational achievement.

A-3. CHARACTERISTICS OF EFFECTIVE PERFORMANCE APPRAISAL SYSTEMS

a. One of the goals of an effective performance appraisal system is to provide benefits to all concerned parties—employees, supervisors, managers, and personnel officers. A system which achieves this goal needs to have certain characteristics. The following list of characteristics is not all inclusive nor are they mutually exclusive, but when combined, they provide a frame of reference for effective performance appraisal systems. An effective system:

(1) provides for measurement of performance against established elements and standards which are written and are communicated to employees at entry on the job and at the beginning of the appraisal period;

(2) establishes procedures to insure that performance appraisal information is used for specific purposes, e.g., to determine developmental needs, awards, and retention, and not for vague or abstract reasons, such as appraisals for promotion potential unrelated to a particular type of job;

(3) contains appraisal criteria and techniques that are appropriate to the specific purposes for which the appraisal is being made;

Appendix A. Guidance on Improving Performance Appraisal

- (4) provides for measurement techniques that are as objective, reliable, and valid as possible;
- (5) contains instructions for performance review and appraisal that are easy to understand and use;
- (6) provides for appraising supervisors on how well they perform their supervisory duties, including their equal employment opportunity responsibilities;
- (7) provides procedures for keeping employees informed on the methods and purposes of appraisals;
- (8) provides procedures for impartial resolution of complaints and review of appraisals;
- (9) provides for prompt notification of employees in writing of the results of their performance appraisals;
- (10) provides for periodic appraisal of employees performance;
- (11) provides several opportunities for supervisors and employees to discuss, improve, and plan for job performance instead of a single annual discussion of performance; and
- (12) prescribes procedures for informing employees on the steps the agency will follow in using appraisal information to make decisions to reward, promote, reassign, train, retain in reduction in force, demote, or remove employees.

A-4. DEVELOPMENT OF PERFORMANCE STANDARDS

a. *General.* Personnel measurement principles dictate that fair appraisal require a realistic standard against which to compare the performance. The clearer a standard is, the easier it will be to observe and appraise performance. Therefore, the first step in the process of effectively managing employee performance is the review of existing standards and the development of new standards and for insuring that they are realistic, measurable, and objective.

b. *Contents of performance standards.* A standard is a description of what an employee must do to perform a specific task or job element. It is, in fact, a yardstick which enables the supervisor and the employee to determine whether the latter is performing satisfactorily by meeting or exceeding established standards. Each standard should be stated clearly in terms which will permit the supervisor and employee to know what is expected and whether it has been met. It is good practice to include, if possible, the specific indicators of quantity, quality, timeliness, etc., that are used to evaluate work results, e.g., counts of work processed, spot checks of work, re-

view of final product, number of complaints received, etc. A quantitative measure of what an employee has accomplished may be expressed in terms of output such as number of cases processed or closed, items produced or positions filled, and amount of time used. Qualitative measures include such things as the number of items rejected, complaints received, or errors made. Almost all jobs involve these aspects of performance, but in varying proportions depending on the nature of the job. A production job on an assembly line may depend as much on quantity as on quality of production, whereas a research job may emphasize the quality of results with quantity being a minor consideration. Most work situations vary between these examples. It is easier, of course, to measure in quantitative terms. However, a complete set of performance standards for a job probably will contain some objectives which cannot be quantitatively or qualitatively measured. There are some jobs for which it is difficult to find meaningful measurements. For example, it may be difficult to evaluate the effectiveness of a research scientist who is working on a long term project. Supervisory and managerial positions also present problems of measurement because of the nature of the positions. Some duties and responsibilities reflect individual performance. Examples are fulfilling equal employment opportunity responsibilities, recommending or making personnel decisions in accordance with merit principles, appraising subordinates fairly and accurately in accordance with previously established standards, and developing subordinates. Other duties and responsibilities of supervisors and managers reflect the performance of the organization for which the individual is responsible, i.e., the degree to which the organizational objectives are met. In recognition of this component, merit pay provisions state that merit pay decisions may take managers' organizational accomplishment into account and include factors such as "improvements in efficiency, productivity, and quality of work or service, including any significant reduction in paperwork; cost efficiency; timeliness of performance; and other indications of the effectiveness, productivity, and quality of performance of the employees for whom the supervisor or manager is responsible". Information about organizational accomplishments can be obtained from two principal sources. These are the organizational unit's achievement of objectives in its planning and budget documents, and information from users of the organization's products or services.

430-A-4

CHAPTER 430. PERFORMANCE APPRAISAL

c. *Methods of developing performance standards.* Since job requirements and performance standards are interrelated, it is common practice to develop them at the same time. Any standard needs to be consistent with the grade level of the position and based on the duties and responsibilities contained in the position description. There are several methods that may be used for analyzing jobs to develop job requirements and performance standards. Whichever method is used should take into account the quantitative and qualitative aspects of performance, including timing and level of achievement. When standards for employees performing similar jobs are established by individual organizational units or supervisors, particular care needs to be taken to assure that employees are treated equitably. Various approaches to the development of individual performance standards and the advantages and limitations of each are discussed below.

1. *Position description method.* (a) *Description and uses.* The position description serves as a written record of what the employee is expected to do. It includes information such as job duties, responsibilities, work products, and level of supervision received. It is typical for the position description to be written by a manager or supervisor and revised as needed when the duties of the job change. Refinements in the process may be made by classification specialists and others who have their results on observation of the employee and analysis of the job. The resulting position description may be more realistic and accurate than the one developed by the supervisor alone.

(b) *Advantages and limitations.* The economy, speed, convenience, and job knowledge of a single person who knows the job thoroughly, i.e., the supervisor, are advantages of using the position description method. Shortcomings include the single point of view on which the standard is based and the supervisor's frequent lack of training in carrying out job analysis and preparing position descriptions. One of the major problems in writing job descriptions and performance standards is in incorporating the qualitative aspects of the job because they are so difficult to assess objectively. It is difficult even to express qualitative standards in terms which are similarly understood by all people. Other techniques were de-

veloped to overcome some of these problems. These are described below.

2. *Expert individual or group approach to job analysis.* (a) *Description and uses.* Many organizations use either a job analysis expert or a team composed of personnel specialists and job experts to improve the process of collecting data and making judgments about all of the pertinent information relating to the nature of a specific job.

(1) As a first step, the individual specialist or team collects background information such as organization charts, classification specifications, training manuals, and pertinent regulations. Second, a sample is selected of positions which are representative of the job, keeping in mind factors such as location, size of organization, and amount of public contact. The next step involves gathering job data. This may be done by using methods such as interviews, questionnaires, work plans, and job diaries, or time sheets (records of job duties over a period of time). Information which is collected from different sources and obtained by more than one method of collection generally is more reliable than data collected from one source. At the same time that data on job duties are being obtained, information can be collected to use in developing standards to measure performance of those job duties. The final steps involve analyzing the information; knowledges, skills, abilities; and other characteristics need for the job.

(2) Another type of expert group approach to job analysis is called the *job-element method*. It is based on qualifying the opinions of job experts who, as supervisors or as expert workers, know the requirements of the job. They work under the direction of a personnel specialist who is familiar with the job-element method of job analysis. An interesting sidelight of this technique is a self-report checklist by which employees may describe their own qualifications in terms of the pertinent job elements. The checklist may be useful in making selections and in identifying possible causes of poor performance.

(b) *Advantages and limitations.* The various methods which make use of one or more job analysis ex-

Appendix A. Guidance on Improving Performance Appraisal

439-A-8

pers may be expected to yield more complete, accurate, and precise job information which in turn leads to clearer, more useful performance standards. The job element method has the advantage of yielding job related data which are useful for several purposes, such as developing rating checklists and constructing examinations. There is also an optional procedure for selecting job elements which are important in developing training programs. Although the job element method has been used primarily for examining blue-collar occupations, extension to a variety of white-collar occupations is now being tried by the Office of Personnel Management.

3. *Participative methods.* (a) *Description and uses.* Although the previously described methods provide for obtaining job information from employees, none of the methods involves employees to the extent that the participative method does. Active participation is an important characteristic of techniques such as "Management By Objectives" (MBO) and the related, but more limited, "Work Planning and Related" (WPR) systems. These systems are not, however, job analysis methods for developing performance standards for most jobs. For those higher-level jobs characterized by few measurable work products and great involvement in planning and decision making, performance standards and goals may be determined not by job analysis but by agreement between employee and supervisor using MBO and WPR methods. For most jobs, however, it is a good idea to have initial performance standards determined by job analysis even if some of the standards may later be modified by agreement between supervisor and employee. In the participative methods, employees and their supervisors are involved in planning work, setting goals and objectives to be met, and periodically reviewing and revising work plans. Goals and objectives which meet at least minimum standards are documented in quantitative terms if possible, i.e., a specified kind and amount of work will be done within a certain time limit. Thus, employees can readily assess their progress before any formal appraisal takes place. Some participative plans have provisions for employees to actively contribute to the appraisal process by carrying out self-ratings.

- (1) Management by objectives or management by results uses a participative approach as part of a broad plan to integrate organizational and personal goals at all organizational levels. Usually this approach calls for all employees

to participate in varying degrees in setting organizational objectives as well as planning their own work, appraising their performance, and planning their career development. Target dates are set, and at predetermined times the results are measured against the projected goals. To be successful, management-by-objectives programs require of management careful planning, active participation, follow-up and a regular review procedure

- (2) The work planning and review method, which is narrower in scope than MBO, emphasizes the periodic review of work plans by employee and supervisor to acknowledge goals reached, identify problems and hindrances, exchange ideas and information about solutions, determine areas of specific need such as training, and review and up-date the goals and objectives in the work plan.

(b) *Advantages and limitations.* The participative approach, by being oriented to the amount and quality of work accomplished, makes it possible to appraise performance more in terms of specific work goals rather than ambiguous personal qualities. Thus, an advantage of this method is that its emphasis is on evaluating the characteristics of the work being done, not the characteristics of the employee doing the work. Employee involvement in work planning, performance standards, and appraisals promotes fairer, more objective performance appraisal and results in improved work performance and motivation. Management by objectives appears to be more successful when applied to managerial, executive, and professional jobs than to other kinds of positions. There are some organizations, however, using variations of the participative approach in work planning and review with employees in other occupational fields at several organizational levels.

A-5. METHODS USED TO APPRAISE PERFORMANCE

a. *General.* There are several methods used to appraise employee performance. No one method is clearly superior to all others. They tend to complement rather than substitute for each other. There are many variables other than the methods used, which can influence the effectiveness of a performance appraisal system. Success of an appraisal system involves efforts to tailor it to the specific needs of the organization and the participation of those affected by it in

its development and implementation. The methods described below have different characteristics and serve different purposes. A good appraisal system could well make use of one or more of these methods. The following paragraphs present a brief description of some, but not all, of the methodologies used in appraising performance.

b. *Management-by-objectives*. This is a management control system designed to integrate organizational goals with work objectives. There is discussion between supervisor and subordinate to determine what results will be achieved, when, how well, etc. For some positions, usually at the highest executive levels, the content of the position, as well as the expected results, may be determined by the two participants. This method is *results oriented*; it does not generally address the process by which results are achieved.

c. *Work planning and progress review*. This method utilizes the participative approach of management-by-objectives but it is narrower in scope. It involves a clear understanding between supervisor and subordinate as to the work objectives to be achieved, how well, how fast, etc., and the periodic monitoring of progress on work assignments irrespective of the methods used to appraise performance. This method is primarily *results oriented*, but progress reviews can be broadened to include progress variables.

d. *Behaviorally anchored rating scales*. This method involves the use of job analysis by a group of occupation experts to develop a list of observable relevant job dimensions. For each of the dimensions, series of behavioral-descriptive statements are developed and refined. This method is process and behavior oriented. It is especially useful where work results are not clear cut or readily documentable. The scales must be developed for a specific job or a homogeneous class of jobs.

A-6. IMPROVING APPRAISALS OF PERFORMANCE

a. *Timing of appraisals*. (1) Other than the performance appraisal requirements listed in 5 CFR, Part 430, the agency performance appraisal systems which have been formally reviewed by the Office of Personnel Management, and in applicable pay regulations, there are no set times prescribed for appraising employees. Employees should be kept currently informed about the quality of their performance and promptly notified of their appraisals. Good personnel practice, however, stresses the idea that performance

appraisal is not just a periodic process, but is the supervisor's continuing day-to-day responsibility.

(2) Individual agency appraisal systems list situations in which performance appraisal may be postponed. One example of this situation involves an employee who, at the end of the appraisal period, is performing unacceptably because of temporary circumstances (such as family or health problems), but is expected in the near future to improve and perform in an acceptable manner. In these circumstances, good management practice would be to postpone the appraisal for a reasonable period of time but certainly not postpone it until the next performance appraisal period.

(3) An agency may decide to do all performance appraisals of the entire organization or large parts of it during the same period of time. This gives the supervisor the opportunity to review everyone's performance in the same time frame and for the paperwork to be coordinated. On the other hand, an agency may find it convenient to prepare appraisals for the purpose of chapter 43 of title 5, United States Code, at the same time that certain other individual assessments or determinations are made, such as acceptable level of competence determinations for General Schedule positions.

b. *Single purpose versus multipurpose appraisals*.

(1) *Advantages of multipurpose appraisals*. An advantage of the multipurpose system is that it helps to reduce the administrative workload because much of the same information can be used for more than one purpose, i.e., information on General Schedule positions obtained for the performance appraisal may also be used in making a determination of an acceptable level of competence. Also, the relationship between quality of performance and pay—represented by the within-grade increase or merit pay—is strengthened by making the two determinations at the same time.

(2) *Appraisals for different purposes and some cautions on multipurpose appraisals*. The performance appraisal required by chapter 43 of title 5, United States Code is based on an appraisal of an employee's performance in the current job. Performance appraisal for merit promotion purposes, however, involves predicting an employee's future performance of job duties, some of which may not be part of the present job. Appraisals for different purposes may require different kinds of information. Therefore, appraisals for different purposes should be distinct from each

Appendix A. Guidance on Improving Performance Appraisal

438-A-7

other and prepared separately *unless* appraisals require the same kinds of information or the system provides sufficiently in-depth appraisals to achieve all the desired purposes. If an agency does use a multipurpose appraisal system, it is important for its system to provide a means of identifying and differentiating among the performance elements which will be used as a basis for the performance appraisal required by chapter 43, title 5, United States Codes, and the performance elements which are important for success in higher level work, i.e., used for merit promotion purposes.

c. *Adequacy of data.* (1) Since no single instrument or data source is perfect, significant personnel actions should be based on data obtained from two or more sources. For example, two separate forms from the same supervisor, one providing a performance appraisal and the other an appraisal of promotion potential, should not be considered as two sources of data because they are both from one person's point of view. They should be considered two different kinds of data—a description of past performance and a prediction of future performance. Self-ratings and other methods of obtaining additional data are discussed below.

(2) The quality of data for personnel decisions can be improved by:

(a) refinements in rating instruments, through (i) increasing the relevance of the factors or elements rated and (ii) making technical improvements in the rating techniques, i.e., forced choice methods, graphic rating scales; or behavioral scales; and

(b) refinements in the appraisal procedures, through (i) specification to the employee of standards of performance, (ii) participative goal setting, and (iii) improved feedback techniques.

d. *Evaluation of supervisors.* (1) Supervisors play a key role in a performance appraisal system. Acceptable performance in a supervisory job requires getting productive performance from subordinates. Therefore, supervisors should be evaluated on how well they supervise, including how well they carry out their equal employment opportunity responsibilities.

(2) Improved employee performance as well as accurate appraisal by supervisors are important to both management and employees. Therefore, supervisors and managers need to be evaluated on how well they carry out their responsibilities in appraising the performance of their subordinates.

FPM chapter 250 recognizes that organizational performance is heavily dependent upon the level of man-

agerial and supervisory effectiveness. In addition, the supervisors and managers under merit pay have their pay dependent in part on their organizational performance. A good supervisor is more likely to do well in any aspect of personnel management than a poor supervisor. No performance appraisal technique, however excellent it may be, can make a poor supervisor a good one. This places a burden on selection methods for supervisory jobs and emphasizes the need to make good use of the supervisory and managerial probationary periods. However, it is possible to help supervisors improve. This can be done by:

(a) helping the supervisor recognize good supervision;

(b) providing supervisors with objective feedback on the quality of their supervisory performance, including their success in appraising the performance of their subordinates;

(c) giving constructive help when it is required, including training in areas of specific need;

(d) providing encouragement and motivation for good supervisory performance; and

(e) explaining the value of procedures before requiring that supervisors follow them.

(4) The qualification standard for supervisory positions at GS-15 and below states that candidates must demonstrate "objectivity and fairness in judging people on their ability, and situations on the facts and circumstances". The ability to make valid and objective judgments about the performance of other people should be considered a factor in appraising the job performance of all persons responsible for providing data on which performance related decisions are based.

e. *Training supervisors in performance appraisal.* No effort should be spared to ensure that supervisors are fully prepared to carry out their supervisory responsibilities. At a minimum, agencies need a good formal training program for new supervisors with ♦ periodic refresher training for all supervisors (see chapter 411). Training ♦ course content varies with needs, but it is desirable to cover the following elements:

(1) understanding appraisal in its proper perspective as part of the continuing program of performance management;

(2) establishing and maintaining realistic performance elements and standards, and keeping employees informed of what is expected of them;

(3) developing skills necessary to review employee performance accurately in relation to elements and

standards, focusing on the performance itself rather than unrelated personality traits;

(4) developing skills in interpersonal relations,

(5) strengthening the supervisor's role as the primary information feedback source about employee performance;

(6) involving employees as active participants in the appraisal process;

(7) preparing appraisals which are as bias free as possible;

(8) motivating employees to put forth their best effort in performance;

(9) identifying various levels of performance where feasible;

(10) developing awareness of need for employee development;

(11) evaluating supervisors on their performance in carrying out their supervisory responsibilities; and

(12) fulfilling legal requirements on performance appraisal, including identifying and describing specific instances of performance for either actions based on unacceptable performance, or rewards for deserving performance.

f. Forms and documentation for performance appraisals. (1) An agency should never rely solely on forms to carry the weight of implementing performance appraisal systems. Good performance standards and well-trained supervisors are crucial to well-run performance appraisal systems. The type and number of written appraisal forms used in making personnel decisions are discretionary with the agency. Different approaches have been taken to using forms or other records. The forms fall into two basic categories—a check sheet or a narrative—with all sorts variations and combinations possible.

(2) *Check sheet.* The check sheet may involve graphic scales on which job duties and performance standards are listed and expressed in terms of quantity, quality, and timeliness. Frequently, space is left open for a narrative statement. These forms are filled out by the first-line supervisor or jointly with the employee being appraised. There are difficulties inherent in using check sheets such as: inflated appraisals clustering around better than average; appraisals representing a description of the person rather than the performance; and the listing of irrelevant or inappropriate factors. Careful preparation of the forms and thorough training

of those using the forms can keep these problems to a minimum.

(3) *Narrative forms.* Instead of the more highly structured check sheet format, some agencies have preferred to use forms calling for narrative statements describing the quality of various aspects of an employee's work. A variation or refinement of this is to record critical incidents, that is, to keep a record of significant events as they occur in the employee's performance of the job. This record should be discussed by employee and supervisor and the incidents used as one source of information for appraisal. In a sense this takes the place of production data for kinds of work in which performance documentation is difficult to obtain. The critical incident technique provides some assurance that an appraisal is based on concrete evidence as the supervisor sees it and at the same time provides some insight into the basis for a supervisor's judgment. The use of narrative forms, critical incidents or other types of documentation is not always trouble-free. There is the danger that important elements in an employee's performance might be ignored or inappropriate emphasis given to others. The selection of incidents to record and the way they are described is crucial, and the procedure can be time-consuming. Skillful use of the approach requires thorough training of appraisers.

(4) *Production counts.* Production counts may be useful indicators of performance if all other factors, such as relative difficulty of the tasks, are considered. However, their use is mostly limited to positions having substantial amounts of standardized, repetitive work.

g. Increased objectivity of appraisals. (1) Whenever judgment is involved, and this is one of the ingredients of performance appraisal, there is always the possibility of personal bias and unfairness. Every supervisor needs to be aware of and avoid:

- (a) appraising everyone as average (unfair to both those who excel and those who need help);
- (b) giving inflated or deflated appraisals;
- (c) summing up the whole employee in a few all-purpose words (human beings have many dimensions and seldom can be usefully or fairly summed up in this way);
- (d) assigning "halo effect" appraisals which permit one strong or one vivid event to impart a

430-A-9

Appendix A. Guidance on Improving Performance Appraisal

general impression which affects the total appraisal:

- (e) evaluating without coaching and counseling (unfair and counter-productive to point out what's wrong without also giving advice on how to improve);
- (f) being unwilling to take the time and trouble to do a competent appraisal; and,
- (g) confusing performance with personality when the latter has no direct relationship to job requirements. To protect against these pitfalls requires careful supervisory training, as noted earlier.

(2) An effective way to increase the objectivity of ratings of past performance is to assess the work results (output) rather than knowledges, skills, and abilities required for a job (input) or the personality of the employee. Assessment of input requirements may be useful for other purposes e.g., evaluations for promotion, identification of training needs, etc. There are, in addition, certain other techniques which can be helpful in improving objectivity. One of them is to make certain that employees are evaluated on a representative sample of their work. A second helpful technique is to insure that the factors rated are relevant to effective job performance (see section A-4, Development of Performance Standards). Another is to require review of appraisals by a higher level of supervision, where appropriate. A fourth is to use other appraisals (such as self, client, and peer evaluation) in conjunction with supervisory appraisal to increase the number of knowledgeable sources from which data are obtained. This is particularly valuable when appraisals are disputed. Of utmost importance in guarding against arbitrary appraisal is continuing supervisory performance review. A strong feedback system through which supervisor and subordinate continuously give attention to whether the subordinate is or is not meeting standards of performance is by far the most important ingredient of performance appraisal. The results of appraisal are less likely to come as a surprise to the employee under these circumstances. Some of these methods for increasing the objectivity of appraisal are discussed in greater detail below.

- (a) *Additional levels of review.* A second-line supervisor, depending on the organizational structure and type of work performed by the employee, may or may not have detailed

knowledge of the employee's work. However, even without specific knowledge of an employee's job performance, the second-line supervisor's review of the performance appraisal given by the first-line supervisor can be useful. Where specific facts about performance are known, the second-level of review adds to the objectivity of the appraisal by providing a secondary source of information. In all cases, however, the second-line review provides information about the first-line supervisor's ability to appraise performance and provides an opportunity to review performance standards and practices. When a second-line supervisor reviews a performance appraisal, automatic agreement with the subordinate supervisor should be avoided. If there is a major disagreement about the appraisal, the reviewing supervisor should request that the first-line supervisor recheck the employee's actual performance. This method not only increases the validity of the appraisal but also helps to insure that consistent standards are applied to all employees doing the same work.

- (b) *Work sampling or log.* Work samples or logs of activities are sometimes reviewed during work progress discussions. These samples, as well as completed projects or reports, are valuable in recalling work done earlier in the appraisal period. This is important for an accurate assessment of performance over a long period.
- (c) *Self-assessment.* One means of increasing the objectivity of appraisal is to have the employee do a self-assessment. The employee prepares a written assessment of progress towards goals or how well performance standards were met. Work in areas not covered by goals can also be included. If achievement falls short of expectation, and goals are not reached, reasons are given. Self-assessment has some advantages, such as:
 - (i) giving employees a chance to express what they expect of their jobs;
 - (ii) making employees more aware of their performance so that they can get feedback from their jobs;
 - (iii) sharing with employees the responsibility for appraisal which helps to reduce the tension and increase the objectivity of the appraisal procedures;

Inst. 261
December 31, 1960

430-A-10

CHAPTER 430. PERFORMANCE APPRAISAL

- (iv) yielding information about additional employee knowledges, skills, and abilities of which the supervisor may be unaware; and.
- (v) supplying data for career planning.
- (d) *Peer appraisals.* Appraisals by groups or committees of co-workers can be helpful in situations where employee work in teams. This method requires the characteristics on which employees are appraised to be clearly defined and the appraisers to be trained. It has similar problems of bias which are associated with other appraisal methods. On the other hand, it eliminates the problem of one person's word against another's in the case of disputed appraisals.
- h. *Appraisal discussions.* The discussion between supervisor and employee about the employee's performance appraisal is an emotionally loaded situation. Supervisors are put in the position of judge which may make them uncomfortable. Employees are in the position of being judged which may make them feel defensive. If rapport has been previously established during daily contacts and work progress reviews, then this interview will hold no surprises and can be treated as another opportunity for a mutual discussion of goal achievement. This will help to reduce anxiety for both

employee and supervisor. Supervisors should remember that the careful use of criticism is also pertinent to appraisal discussions. The interview should end on an optimistic note with the discussion of new goals and plans for the future. The success of appraisal in improving job performance will depend on the extent to which both supervisor and employee share mutual goals and perceive rewards inherent in work accomplishments.

A-7. FOLLOWING THROUGH AND CONTINUITY

A performance appraisal system cannot run on momentum. It needs to be sold, not just when it is introduced but continually, by the beneficial effects which accrue by its proper use to the organization, its employees, and supervisors. The benefits of an appraisal system depend largely on the extent to which all concerned parties follow through on the goals and commitments to which they have mutually agreed. No plan for performance appraisal, no matter how good it looks on paper, is going to improve personnel management unless it is well understood, receives continuous follow-up, and widespread support at all organizational levels.

To Be Filed With Basic FPM Chapter 430

AR 690-400
430

CHAPTER 430*

DEPARTMENT OF THE ARMY
GENERAL PERFORMANCE APPRAISAL SYSTEM

Contents

	Page
SUBCHAPTER 1. GENERAL PROVISIONS	
1-1. Purpose	1-1
1-2. Applicability	1-1
1-3. Explanation of terms	1-2
1-4. Responsibilities	1-3
1-5. Labor—Management Relations Program requirements	1-3
1-6. Orientation and training	1-4
1-7. Program evaluation	
SUBCHAPTER 2. PERFORMANCE PLANNING	
2-1. Preplanning of performance objectives	2-1
2-2. Identification of major job elements	2-1
2-3. Identification of critical elements	2-1
2-4. Establishment of performance standards	2-2
2-5. Variations in critical elements and performance standards	2-2
2-6. Special requirements for supervisors	2-2
2-7. Individual development plans (IDPs)	
SUBCHAPTER 3. PERFORMANCE APPRAISAL	
3-1. In-program reviews	3-1
3-2. Written performance appraisals	3-3
3-3. Documentation and storage of records	3-4
3-4. Personnel decisions based on performance appraisal	3-5
3-5. Grievances	
SUBCHAPTER 4. FORMS AND INSTRUCTIONS	
4-1. DA Form 4968 (Job Performance Planning Worksheet)	4-1
4-2. DA Form 4968-1 (Job Performance Planning Worksheet—Part II Continuation)	4-2
4-3. DA Form 4969 (Employee Performance Appraisal)	4-2
4-4. DA Form 4969-1 (Employee Performance Appraisal—Part II Continuation)	4-3

*This chapter does not supplement FPM chapter 430.

To Be Filed With Basic FPM Chapter 430

AR 690-400
430.1

SUBCHAPTER 1. GENERAL PROVISIONS

1-1. Purpose. a. This chapter implements a General Performance Appraisal System (GPAS) in the DA to—

(1) Link individual and organizational goals, thus giving the individual a clearer understanding of how to contribute toward those goals;

(2) Insure that employees are—

(a) Informed in writing of major and critical job elements and performance standards at the beginning of each appraisal period;

(b) Held accountable for meeting those standards;

(c) Given a chance to demonstrate fully successful performance;

(d) Provided feedback on how well they are performing their duties compared to performance standards and how they can improve; and

(e) Assigned an accurate rating based on their level of performance during the rating period;

(3) Provide Army management with employee performance data for—

(a) Using as a basis for planning and assigning work;

(b) Making decisions to train, reward, reassign, promote, reduce in grade, retain, and remove employees; and

(c) Assisting employees in improving performance;

(4) Make supervisory personnel responsible for the effectiveness and production of employees that they supervise; and

(5) Provide a sound and continuing basis for effective supervisory-employee relationships.

b. This chapter prescribes policies and procedures to implement GPAS concepts that have been reviewed and approved by the Office of Personnel Management (OPM). It describes the performance appraisal process (see fig. 1-1) and gives instructions for preparing, processing, and using DA Form 4968 (Job Performance Planning Worksheet), DA Form 4968-1 (Job Performance Planning Worksheet—Part II Continuation), DA Form 4969 (Employee Performance Appraisal), and DA Form 4969-1 (Employee Performance Appraisal—Part II Continuation) in subchapter 4. Also, this chapter provides guidance for using performance appraisal results as a basis for other personnel decisions.

Further, it describes procedures to be followed by employees who are dissatisfied with their appraisals.

c. Requests for clarification to policy in this chapter should be sent through the chain of command to HQDA(DAPE-CPL), WASH DC 20310.

1-2. Applicability. This chapter applies to civilian employees paid from appropriated funds in both the competitive and excepted service and to military personnel who are involved in the performance appraisal process except—

a. Individuals appointed by the President;

b. Individuals in the Senior Executive Service;

c. Individuals in the Merit Pay System;

d. Individuals on a time limited appointment of 1 year or less;

e. Army National Guard technicians employed under 32 USC 709;

f. Individuals outside the United States paid local national prevailing wage rates for the area in which employed; and

g. Individuals in excepted service positions excluded by OPM regulations.

1-3. Explanation of terms. a. *Appointing officer.* The commander, activity director, or other official who through the chain of command, has been delegated the authority under AR 10-20 to—

(1) Employ, classify positions, effect position and pay changes; and

(2) Suspend, furlough, and separate civilian employees.

b. *Approving official.* The individual in the employee's performance appraisal chain who reviews and approves performance appraisals. (See para 3-2e.)

~~c. *Critical element.* A component of an employee's job that is of sufficient importance that performance below the minimum standard established by management requires remedial action and denial of a within-grade increase, and may be the basis for removing or reducing the grade level of that employee. Also, this action may be taken without regard to performance on other components of the job.~~

d. *Days.* Calendar days.

e. *Major job element.* A major duty or responsibility of an employee's position; a major result of

* Superseded by Chg
IOI dtd 25 Apr 83

AR 690-400
430.1

output expected from the employee. ~~A major element becomes a critical element when it is important enough to meet the definition of critical element above~~

f. Performance. An employee's accomplishment of assigned duties and responsibilities.

g. Performance appraisal. Periodic evaluation of an employee's performance of duties and responsibilities as measured by the performance standards for the position.

h. Performance appraisal chain. The employee and the rating officials (i.e., rating supervisor, reviewer, and approving official) involved in the appraisal process.

i. Performance requirements. The major and critical job elements, supporting tasks, and performance standards established for a position.

j. Performance standards. A description of the level of accomplishment necessary for acceptable performance of each major job element. Standards which have no allowance for deviations or error are absolute standards. Standards are expressed in terms of—

(1) Objectives, specific actions, project assignments; and

(2) Other qualitative and quantitative requirements related to major job elements.

k. Rating period. The period of time during which an employee's performance will be appraised. This is normally 1 year for annual appraisals. If a written appraisal is postponed, the rating period includes the length of time covered by the postponement.

l. Rating supervisor. The person assigned responsibility for directing and appraising employee's performance. This is normally the employee's immediate supervisor who—

(1) Develops performance requirements;

(2) Appraises employee performance; and

(3) Recommends a performance rating level.

m. Reviewer. An individual in the employee's performance appraisal chain who is normally the rating supervisor's immediate supervisor.

1-4. Responsibilities. *a. Appointing officers will—*

(1) Implement this performance appraisal system and insure it complies with all civil service laws, rules, and regulations;

(2) Approve employee performance appraisals with ratings other than Fully Successful or delegate this authority to an individual in the employee's

supervisory chain;

(3) Insure performance appraisal chains and rating periods are published, given to individuals in performance appraisal chains at the beginning of rating periods, and kept current; and

(4) Insure that supervisors attend scheduled performance appraisal training.

b. Approving officials will—

(1) Review employee performance appraisals to include a review of the employee's comments and talks with individuals in the performance appraisal chain;

(2) Insure that written performance appraisals are prompt, complete, and conform with regulations;

(3) Approve employee performance appraisals;

(4) Approve or recommend personnel decisions and actions resulting from performance appraisals; and

(5) Attempt to resolve disagreements between the rating supervisor and the reviewer.

c. Reviewers will—

(1) Review employee performance appraisal worksheets prepared by subordinate supervisors to insure major job elements, critical elements, and performance standards are—

(a) Accurate and attainable; and

(b) Fair and equitable;

(2) Evaluate the performance of employees of subordinate supervisors through personal contacts or review of work performed;

(3) Insure that appraisals by subordinate supervisors are accurate, fair, and prompt;

(4) Approve fully successful ratings; and

(5) Insure that Individual Development Plans (IDPs) are reasonable and are carried out after approval.

d. Rating supervisors will—

(1) Encourage employees to participate in the development of performance requirements;

(2) Discuss, identify, and define major elements with each employee, determine which major job elements are critical, and provide written performance requirements to each employee at the beginning of each rating period;

(3) Discuss with reviewers the performance requirements established for employees;

(4) Evaluate and discuss employee performance, comparing results achieved with performance standards, and revise performance requirements as needed during the rating period;

1-2

* See 401 and 401 att 25 Apr 83

AR 690-400
430.1

(5) Talk over proposed written performance appraisals with reviewers prior to discussing them with employees;

(6) Prepare prompt, written appraisals and ratings, which include attainable IDPs, to contribute to current or future performance;

(7) Counsel employees on their progress or areas that need improvement and assist them in improving their job performance; and

(8) Use the results of employee performance appraisals as a basis to train, reward, reassign, promote, reduce in grade, retain, or remove employees from Federal service, or recommend same.

e. Employees will—

(1) Take part in the development of performance requirements, as requested by supervisors;

(2) Plan and perform duties in a way that performance standards will be achieved or exceeded;

(3) Propose to supervisors the need for revising performance requirements during the rating period;

(4) Identify work problems and cooperate with supervisors in resolving them and set objectives for improving work performance; and

(5) Accept and complete training planned to assist them in current or future job performance needs and seek self-development opportunities.

f. Civilian Personnel Officers (CPOs) will—

(1) Provide technical assistance to the appointing officer in implementing the appraisal system;

(2) Provide adequate training for supervisors and managers in all aspects of the GPAS;

(3) Provide orientation and technical advice and assistance to employees and their rating officials about the appraisal system;

(4) Notify supervisors of due dates for annual and probationary employee performance appraisals;

(5) Assist management in setting up followup systems to insure all appraisals are prompt and comply with regulations;

(6) Evaluate effectiveness of this system and provide feedback to management; and

(7) Maintain and file official performance appraisals.

g. Staff officials (e.g., the Equal Employment Opportunity Officer, the Position Management Officer, and the Safety Officer) will provide data to rating supervisors on request or when data regarding employee performance becomes available during the rating period.

1-5. Labor—Management Relations Program requirements. *a.* In implementing and applying the GPAS, DA managers have certain responsibilities that must be fulfilled in dealing with labor organizations representing employees. The establishment and content of performance standards and the identification of critical elements are retained management rights under 5 USC 7 106(a)(2)(A) and (B) (i.e., to direct employees and assign work) and are not negotiable. However, 5 USC 4302 states that performance appraisal systems will encourage employees to participate in establishing performance standards that affect them. The intent of Congress was to enable employees to participate in determining the procedural aspects of performance appraisal systems, consistent with laws and regulations, through labor organizations of their own choosing and to bargain collectively on the impact and implementation of management decisions concerning performance appraisals. The distinctions, however, are not clear between—

(1) "Procedural" aspects of performance appraisal, which are negotiable; and

(2) "Substantive" matters, which are not negotiable.

Management must negotiate in good faith with the labor organizations and attempt to reach agreement. Management must insure that negotiations do not extend into the actual determination of the standards and critical elements.

b. Negotiation guidance on performance appraisal is continually developed and distributed through civilian personnel office channels. It is imperative that Army managers seek help from their servicing civilian personnel office concerning their rights and responsibilities on the implementation and continuing application of the performance appraisal system to bargaining unit employees.

1-6. Orientation and training. *a.* Supervisors are responsible for successful operation of the performance appraisal system. Also, supervisors must insure that employees are fully informed about the system. It is essential that supervisors receive enough training to be fully informed regarding—

(1) Policies, goals, and procedures of the GPAS;

(2) Methods to identify major and critical job elements and establish performance standards, with the employee taking part;

AR 690-400
430.1

(3) Techniques of performance appraisal, including—

- (a) Performance review;
- (b) Feedback to employees; and
- (c) Assistance to employees in improving performance; and

(4) Use of the results of performance appraisal as a basis for making other personnel decisions.

b. CPOs and their staffs will give initial GPAS orientation for new employees. They will train rating supervisors by means of group instruction and refresher training. Also, reviewers and approving officials must be trained to judge how well subordinate supervisors fulfill their performance appraisal responsibilities. Orientation and training will be supplemented periodically by use of their media such as supervisory and employee newsletters.

1-7. Program evaluation. Evaluation of the GPAS to measure its effectiveness and provide feedback to management will be ongoing.

a. In addition to evaluation by civilian personnel

offices, DA and major Army commands (MACOMs) will include their evaluations of this system in personnel management surveys. They will make decisions regarding the system such as—

- (1) Are the goals of the GPAS being met?
- (2) What are employee, labor organization, and management perceptions about the system?
- (3) Are major job elements and performance standards based on the duties and responsibilities of positions?

(4) Is adequate supervisory training and employee orientation being provided?

b. Evaluations should be done by using acceptable methods, such as—

- (1) Interviews with supervisors and employees;
- * ~~(2) Questionnaires to obtain the views and perceptions of supervisors and employees; and~~
- (3) Special studies to identify problems or weaknesses in the system.

c. Evaluation data will be used to identify problems or weaknesses and improve the system.

* See
I 01
* See Chy
I 01 att
25 Apr 83

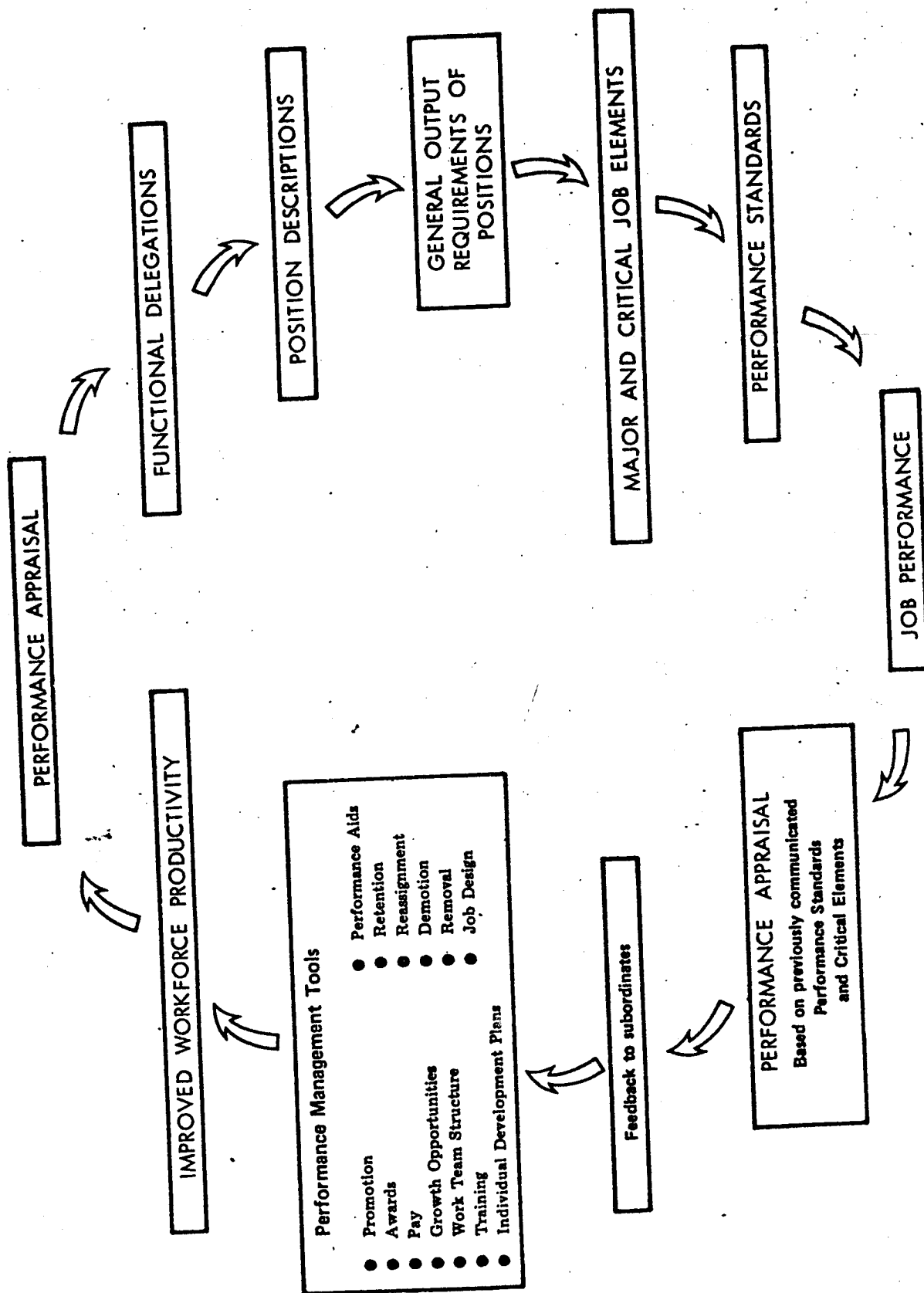
AR 690-400
430.1

Figure 1-1

To Be Filed With Basic FPM Chapter 430

AR 690-400
430.2

SUBCHAPTER 2. PERFORMANCE PLANNING

2-1. Preplanning of performance objectives. a. The Army's system of objective, accurate, and meaningful performance appraisal depends on major and critical job elements and performance standards which are understood by supervisors and their employees. An employee may be appraised only by comparing performance with standards. These standards must be in effect during the rating period and the employee must have a fair chance to meet them. A fair chance exists when the employee is allowed a reasonable amount of time and resources between recording the standards and the appraisal date for the employee to meet the standards. (See fig. 2-1.)

b. Major job elements and performance standards must be based on duties assigned the employee. These duties must be consistent with those covered in employees' position descriptions. Thus, inaccurate position descriptions or misassignment of employees will make the appraisal process meaningless. Supervisors must insure that position descriptions and DA Forms 4968 are kept up to date.

c. Major and critical job elements will be identified and performance standards will be established—

(1) Prior to the beginning of the rating period; and

(2) As changes to the position or other needs occur.

In the case of occupied positions, performance standards will be established or modified with employee participation. While employees are to be encouraged to take part in this process, final decisions will be made by rating supervisors and reviewers. The method and extent of employee participation in developing major elements and performance standards are negotiable where employees are represented by a labor organization. Where two or more employees are assigned to like positions, group talks may be desirable. Employees usually have a great deal of knowledge about the requirements of their jobs. Also, they tend to be more committed to achieving expected levels of performance when they have a chance to take part in setting those levels. Employees taking part in this effort, together with linkage to organizational goals, should reduce communication problems. This will produce more realistic and acceptable performance standards.

~~d. Performance requirements will be recorded on DA Form 4968 (Job Performance Planning Worksheet) and reviewed periodically by the supervisor and the employee.~~ The data will be revised as needed during the rating period. When new supervisors or employees are assigned during the rating period, supervisors will review and discuss the worksheet with employees as soon as possible.

2-2. Identification of major job elements. a. Major job elements are identified through analysis of the duties and responsibilities of each job (i.e., an analysis of what the job requires) and their linkage to the mission, functions, and goals of the organization. The results or output expected of the employee that contribute most to reaching those goals are the major elements of the position. Specific tasks or activities important to each element should be developed to aid establishment of performance standards (see fig. 2-2).

b. In addition to the position description, there are other sources of data that may be helpful in identifying major job elements, such as—

- (1) Mission or functional statements;
- (2) Program budget and planning documents;
- (3) Organizational goals; and
- (4) Previously developed performance standards.

However, as a minimum, the official position description will be used.

2-3. Identification of critical elements. Major job elements will be reviewed to decide which are important enough to be identified as critical elements. The number of critical elements (which will vary from job to job) needs to be manageable. Answering "yes" to two basic questions will help a supervisor determine whether a major job element is critical:

a. Will unsatisfactory performance on the element have an adverse effect on completion of the work of the organization or other organizations?

b. Can I justify withholding a within-grade increase or begin action for removal or demotion of the employee if the performance standards for this element are not met?

2-4. Establishment of performance standards

a. Once major job elements have been identified

* Lee I 019
Chg I 01
25 Apr 83

AR 600-100
430.7

critical elements designated, and supporting tasks develop the performance standards for achieving each element must be determined (i.e., performance standards for acceptable performance).

Performance of each element will then be measurable at three levels (see para. 4-3c(3)). Performance standards should be as specific as the nature of the element permits. If possible, each should be expressed as a range of performance in terms of quality, quantity, timeliness, or expected results. A good standard should measure what it intends to measure.

Performance standards for acceptable performance must be high enough to meet the needs of the position. Such a standard must be attainable by a fully trained employee. (See fig. 2-3.)

Variations in critical elements and performance standards. Rating supervisors and requiring them to treat employees fairly when evaluating major and critical elements. This also applies when establishing performance standards for like or similar jobs. Variations in critical elements and performance standards across and within organizations may occur because of—

- Different missions and organizational climates;
- Differences in the character or technology of the work; and
- Distribution of work among individual employees.

Example: There are four Clerk-Steno positions in Directorate XYZ—one in each of its three branches and one in the Office of the Director. There is a correspondence requirement in the three branches that does not exist in the Office of the Director. Thus, the major job element, Dictation Transcription, is a critical element of the Clerk-Steno positions assigned to the branches. Although it is a major job element, Dictation Transcription is not denoted a critical element of the Clerk-Steno position assigned to the Office of the Director. Variations in major and critical elements and performance standards must show real differences in jobs. This is especially important where positions are so similar that they are in the same competitive level for reduction-in-force purposes.

2-6. Special requirements for supervisors. Performance standards and major and critical job elements for all supervisors should show organizational goals as well as individual duties and responsibilities.

~~ties. Also, personnel management and equal employment opportunity and affirmative action will be identified as critical elements for all supervisors.~~

a. Personnel management. Supervisors will be accountable for all personnel management duties required by their positions. Included are, but not limited to—

- (1) Accountability for performance appraisals;
- (2) Position management effectiveness; and
- (3) Occupational Safety and Health Program responsibilities.

Performance standards will be designed to measure the extent to which sound personnel management principles are practiced and attained during the rating period. For example, performance standards will be established so that supervisors will be appraised on the fairness, objectivity, and promptness of preparing performance appraisals for subordinate employees. In positions where the supervisor has strong potential to influence position management, performance standards will also be established for this factor.

b. Equal Employment Opportunity (EEO) and affirmative action. Furthering EEO and affirmative action is a national goal mandated to all Federal agencies. It is an important Army goal. To reach desired results in this critical element, performance standards will be designed to assess the supervisor's contribution toward each as stated in the local affirmative action plan. Performance standards for EEO will be stated in terms of visible affirmative actions. These standards must be attainable during the rating period and must accurately show the supervisor's impact on affirmative action. ** Added to*

2-7. Individual Development Plan (IDP). ** Added to* The execution of an IDP for each employee is an important part of the performance planning process. Employees and supervisors should share in planning training and development activities. The Training and Development Branch of the Civilian Personnel Office should be involved in locating suitable training to meet performance-related needs.

b. IDPs should contribute to improved performance on the present job or to the employee's career development. This should take into consideration—

- (1) Present and anticipated job requirements;
- (2) Employee abilities; and
- (3) Future use of various types of training and development assignments to enhance performance.

PERFORMANCE PLANNING

INPUT REQUIREMENTS

- MISSION FUNCTIONAL STATEMENTS
- DELEGATIONS OF AUTHORITY
- ORGANIZATIONAL OBJECTIVES
- POSITION DESCRIPTION
- PURPOSE OF POSITION
- CRITERIA FOR JOB ELEMENTS

START

- CRITICAL ELEMENTS & PERFORMANCE STANDARDS

I
ESTABLISH
JOB ELEMENTS

OUTPUT

- JOB ELEMENTS LISTING
DEPICTING ENTIRE POSITION

- JOB ELEMENTS LISTING FOR CRITICAL
ELEMENTS CONSIDERATIONS

II
IDENTIFY
CRITICAL ELEMENTS

- JOB ELEMENTS LISTING
WITH CRITICAL ELEMENTS IDENTIFIED

- JOB ELEMENTS LISTING WITH
CRITICAL ELEMENTS IDENTIFIED

III
LIST
SUPPORTING TASKS

- SUPPORTING TASKS FOR EACH
JOB ELEMENT

- JOB ELEMENTS LISTING WITH
CRITICAL ELEMENTS AND
SUPPORTING TASKS FOR EACH
ELEMENT IDENTIFIED

IV
SET PERFORMANCE
STANDARDS

- SET OF PERFORMANCE STANDARDS

END

- CRITICAL ELEMENTS &
PERFORMANCE STANDARDS

Figure 2-1

AR 690-400
430.2

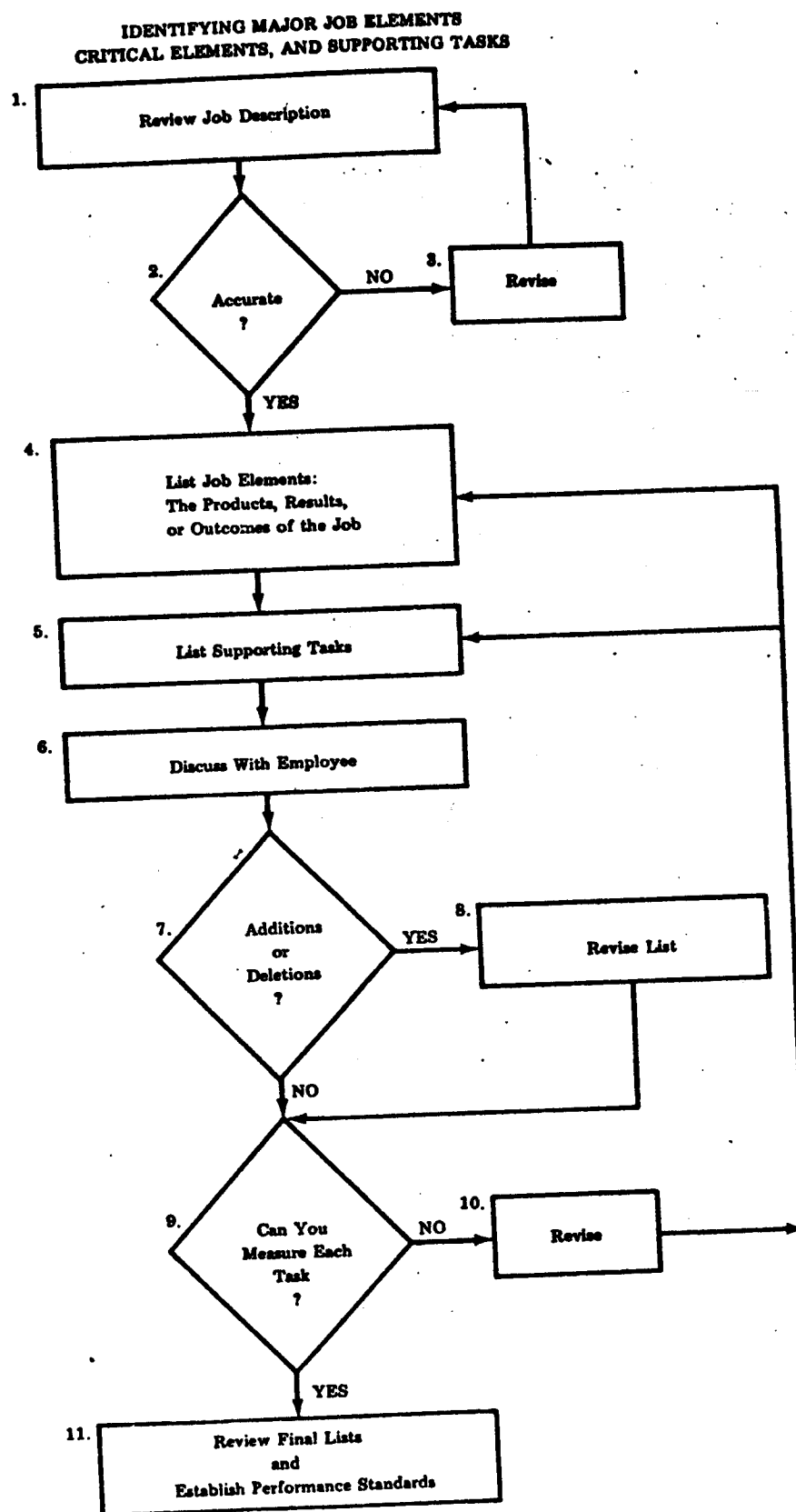


Figure 2-2

AR 690-400
430.2

15 April 1981

GUIDELINES

1 - 3

- It is important to start with an accurate job description. If the job description needs to be rewritten, you should do it before identifying JOB ELEMENTS and SUPPORTING TASKS, or working on PERFORMANCE STANDARDS.

4

- JOB ELEMENTS are the results, end-products or outcomes of the job. The description of the JOB ELEMENT will be of a product or service - an outcome. It will be the name of something (a noun). Some questions to consider when identifying elements are: (a) What is the purpose of this job? and (b) What are the outcomes of this job? List MAJOR JOB ELEMENTS for the position. Using the criteria for a CRITICAL ELEMENT, identify all CRITICAL ELEMENTS.

NOTE: For those employees who appraise the performance of one or more subordinates, elements covering Personnel Management Responsibilities and Equal Employment Opportunity Responsibilities must be identified. These elements must also be identified as CRITICAL ELEMENTS.

5

- For each element identified, list the duties, statements of action (verbs), or activities that are done to accomplish the element. Are the tasks clearly and simply stated? List SUPPORTING TASKS for each major job element.

6

- This may be a good time to discuss what you have written with the employee. He or she may be able to identify additional elements or supporting tasks.

7 - 8

- Based on any additions or deletions made during the discussion with the employee, revise the job element and tasks as needed.

9 - 10

- We are not asking that you actually measure the tasks now, but just be sure you could measure what you have written down. Some of you will be saying, 'I can't measure the kind of work my employees perform.' Every job has some kind of end-product which can be measured in some way. Consider such questions as: (a) How can I tell if the employee is doing his or her job? (b) If I didn't have an employee to do this work, how would my mission suffer? If you cannot definitely answer these questions, consider revising the tasks.

11

- When you and the employee have a final list of MAJOR JOB ELEMENTS, CRITICAL ELEMENTS, and SUPPORTING TASKS, you are ready to establish performance standards for the position. Before doing that, however, you may wish to discuss the elements and supporting tasks with the reviewer.

Figure 2-2.—Continued.

2-f

AR 690-400
430.2

ESTABLISHING PERFORMANCE STANDARDS

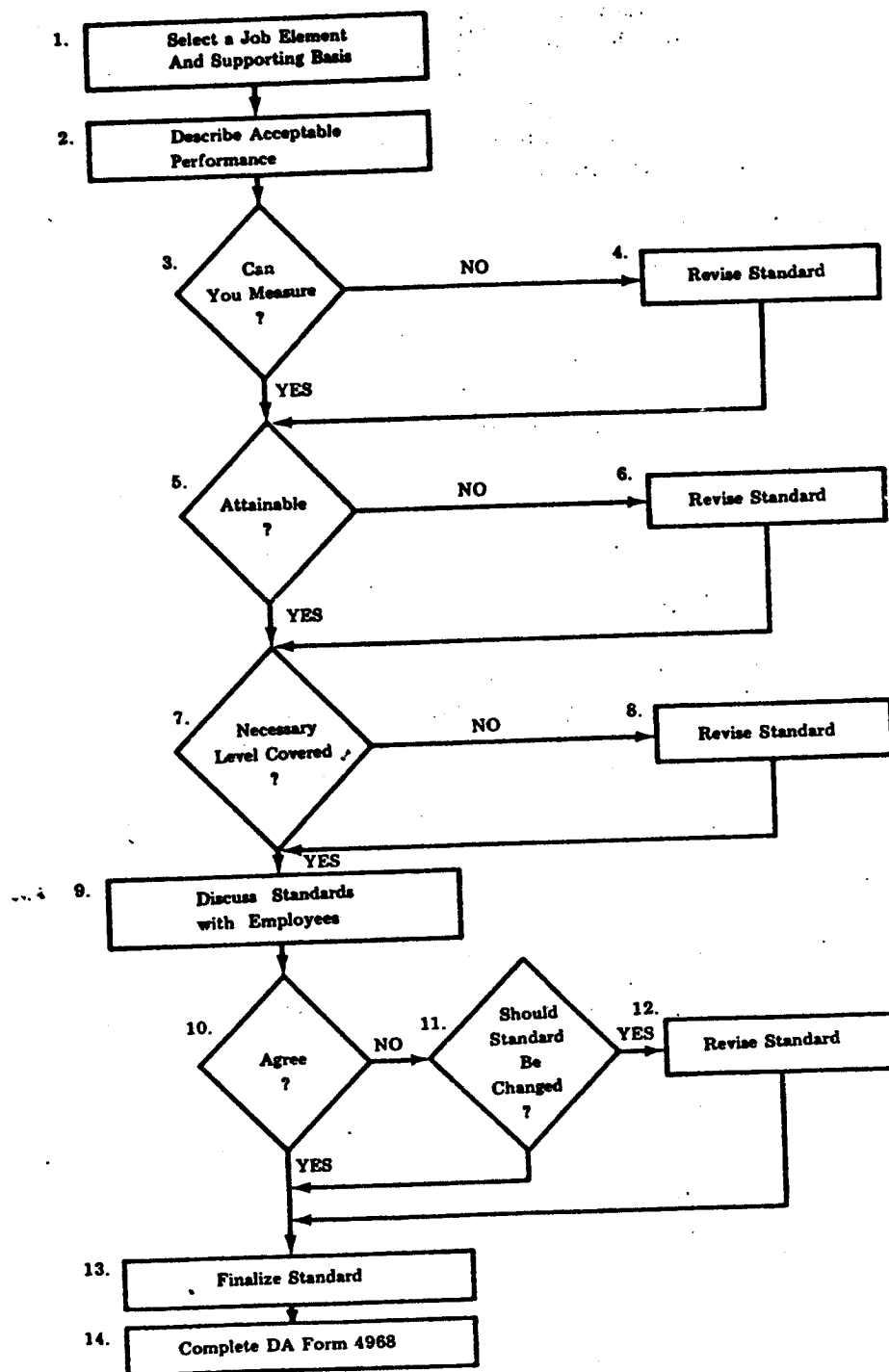


Figure 2-3

GUIDELINES

- 1 - Self explanatory.
- 2 - Write down what you consider to be acceptable performance for each task. Think of such things as how long it should take; how well it should be done; how many; how fast; is cost effectiveness a factor; are there regulations or laws that make specific demands? Also think of examples of very good work and very poor work. What made it good? What made it poor?
- 3 - 4 - If you set a standard, you **MUST** be able to measure it. If you are not already measuring this performance, you need to decide how to measure it. Do you have time to measure it? If the standard is too difficult to measure, try revising it.

If you are still having trouble, maybe there is something wrong with the task. Make sure you have identified what is really important to measure. Try rephrasing or rewriting. If necessary, go back and look at the overall **JOB ELEMENT**. Make sure the **SUPPORTING TASKS** you have listed are related to the **ELEMENT**.
- 5 - 6 - Can you expect a journeyman employee to meet this standard? Is it too high? If so, revise it. Remember, when establishing a performance standard for acceptable performance, **DO NOT** set it too high or too low.
- 7 - 8 - Now that you have written standards for acceptable performance, can you tell when performance exceeds or does not meet the standard?
- 9 - 12 - You should discuss the standards with the employee. He or she may be able to help identify ways to measure the tasks you have listed.

Since it is a management responsibility to develop performance standards, it is not a requirement that employees agree with your description of 'acceptable performance.' However, it may be helpful to come to some degree of understanding on as many standards as possible. Also, disagreement on the part of the employee may be an indication that the standard needs to be changed. Perhaps it's just worded improperly, or it isn't clear to the employee.
- 13 - 14 - When you and the employee have a final list of standards, you have completed performance planning for the next performance rating period. Obtain approval of the employee's performance requirements from the reviewer and transfer the performance requirements to DA Form 4968 (Job Performance Planning Worksheet).

Figure 2-3.—Continued.

2-

To Be Filed With Basic FPM Chapter 430

AR 690-40
430.*Subchapter 3 changed per
Chg 101, dtd 25 Apr 83***SUBCHAPTER 3. PERFORMANCE APPRAISAL**

3-1. In-progress reviews. a. Performance appraisal is a continuing process during which supervisors make judgments on the work of individual employees with relation to established performance standards for their positions. These judgments are a normal part of supervision and should be objectively made and freely discussed with employees. This type of communication strengthens supervisor-employee relationships and increases productivity. This can best be done in the context of job performance (i.e., at the time of certain incidents or with specific assignments). These informal appraisals should promote mutual understanding and prompt translation into action.

b. Besides informal and spontaneous discussions, rating supervisors should periodically appraise employees' overall performance and inform them of their progress toward achieving performance requirements. As a minimum, a prearranged conference will be held for this purpose at the midpoint of the annual rating period. Conferences will be held as often as needed to keep employees informed of their progress. If performance has become marginal or unsatisfactory, supervisors will counsel and assist the employee to improve performance before beginning action to remove the employee from the position. Counseling, training, and closer supervision are some improvement actions that should be considered. Feedback and assistance to employees should be documented according to paragraph 3-3b.

c. Rating supervisors will talk over changes to performance requirements with employees at the time changes occur. Changes will be treated in the same manner as initial development of performance requirements, to include employee participation. These changes may be necessary by factors such as—

(1) Mission, organization, or technological changes; or

(2) Revisions to position descriptions.

However, changes in requirements which were not introduced far enough in advance of the end of the rating period to give employees a fair chance to meet them may not serve as a basis for appraisal.

3-2. Written performance appraisals. a. At the end of the rating period, the supervisor will com-

pare the employee's performance to the performance standards for the job before completing the written appraisal. The supervisor will consult the SF 7-B (Employee Record), and review interim special appraisals and other performance documents.

(1) ~~Other~~ Staff officials who have special knowledge of the employee's performance during the rating period should assure that this information is provided promptly to rating officials. This could be—

(a) Officials to whom the employee responds or provides services during the rating period;

(b) The Equal Employment Opportunity Officer;

(c) The Position Management Officer; or

(d) The Safety Officer.

However, staff officials will not have an official role in rating, reviewing, and approving performance appraisals. Any data given must be fully documented and derived from an official source. Further, the data are relied on to any extent by the rating supervisor, they should be given to the reviewer approving official. They should also be made known to the employee before or during preparation of the written appraisal.

(2) After consideration of the information from all available sources, the rating supervisor recommends the performance rating level. ~~When an employee's overall performance exceeded requirements or was less than Fully Successful, the rating CPO staff should be consulted.~~ The staff will advise about suitable recognition or corrective action. Employees who receive Exceptional performance ratings will be awarded a DA Form 4979 (Exceptional Performance Certificate).

b. *Performance rating levels.*

(1) The descriptions following presuppose that there are at least one critical element and one of major job element identified for the position. When this is not the situation, rating officials will have to exercise judgment in deciding the overall rating which most accurately shows the employee's performance during the rating period. The decision must not be arbitrary or capricious, otherwise violate merit system, or constitute a prohibited personnel practice.

101

AR 690-400
430.3

(a) *Exceptional*. Performance that exceeds performance standards (other than absolute standards) for all major job elements. Performance in relation to standards is of such quality that it could only be achieved by the most exceptional employee. This employee deserves special recognition.

(b) *Highly Successful*. Performance that exceeds performance standards (other than absolute standards) for all critical elements and meets standards for all other major elements. Performance in relation to performance standards is of such quality that it could only be achieved by employees who are above average.

(c) *Fully Successful*. Performance that at least meets performance standards for all major elements. Performance in relation to standards is of such quality that it would be expected only of a proven, competent employee.

(d) *Marginal*. Performance that meets performance standards for all critical elements and fails to meet the standards for one or more other major elements. Performance compared to standards is less than that expected of a proven, competent employee.

(e) *Unsatisfactory*. Performance that fails to meet performance standards for one or more critical elements. Performance is clearly unacceptable and corrective action is required.

(2) When preparing written appraisals, rating supervisors will use DA Form 4969. Employees are entitled to the rating which most accurately describes their performance compared to performance standards for the rating period. Numerical or percentage goals, quotas, or other similar restrictions on performance rating levels are prohibited.

(3) Annual ratings are effective as of the ^{date} approved and remain the employee's current, official rating until replaced by another annual rating or by an entrance rating. An entrance rating is an automatic official rating of Fully Successful which begins a new rating period on the effective date of the SF 50 (Notification of Personnel Action) for—

(a) Appointment, promotion, change to lower grade; or

(b) Reassignment to a position with different duties and responsibilities.

c. *Types of appraisals*. There are four types of written appraisals: annual, probationary, interim, and special. Interim and special appraisals will be considered by rating supervisors when preparing

annual or probationary appraisals. Each will be provided for consideration by reviewers and approving officials. Written appraisals cover the entire rating period. Rated employees should be allowed reasonable time to provide comments.

(1) *Annual appraisals*.

(a) An annual appraisal will normally be prepared for each employee at least once during each 12-month period. It will be due not later than 45 days following the end of the rating period. Rating periods will be determined by the commander of each MACOM; this determination may be further delegated to local commanders. The minimum rating period is 120 days.

(b) Annual performance appraisals and career appraisals for employees in DA career program occupations will be completed at the same time to maximize the interface between performance and career appraisals. Rating periods will be established so that performance appraisals will be completed and copies made available for DA career program screening panels.

(c) Six months after a Marginal rating is approved, the rating supervisor will reevaluate the employee's performance. This rating period will begin the day after the end of the previous rating period. The reevaluation will be based on performance requirements established and documented on DA Form 4968 for this 6-month period. The rating will be due not later than 30 days following the end of the rating period. This will not affect future due dates for annual appraisals; however, it will shorten the rating period for the next regular annual appraisal by that 6-month period. It also requires preparation of a new DA Form 4968 for this shortened rating period.

(2) *Probationary appraisals*.

(a) Rating periods for probationary appraisals will end after 4 months and 8 months of employment. Probationary appraisals will be due not later than 30 days following the end of each rating period. ~~Annual appraisals will not be completed while employees are serving probationary periods.~~ The first annual appraisal rating period for probationary employees will begin on the 1st day of the 9th month of the probationary period. It will end after completion of the probationary period on the date scheduled for the employee's annual rating.

(b) Certification to retain in, or remove a probationer from a position will be made at the end of 8

AR 690-400
430.3

months of employment (during the 9th month).

However, this requirement does not preclude a decision to remove the probationer from the position at any time during the probationary period (see FPM chap. 315).

(c) Major and critical elements and performance standards will be developed for the 8-month appraisal period so that meaningful probationary appraisals can be made. Probationary appraisals for new supervisors and managers must cover their supervisory or managerial performance. They may also cover other aspects of performance.

(3) *Interim appraisals.* Interim performance appraisals will be completed for employees when—

(a) The supervisor is leaving a position or an employee is reassigned to another position at the same grade level with essentially identical duties and responsibilities, and

(b) There has been at least a 120-day working relationship between the supervisor and employee.

Rating periods may end 2 weeks prior to departure of the supervisor or employee to allow time for preparation of the appraisal. Appraisals will be completed and distributed (see para 3-3c(2)) within 2 weeks following departure of the supervisor/employee.

(4) *Special appraisals.* Special appraisals will be completed during the last week of a temporary assignment such as detail or temporary promotion to an established position for a period of 120 days or more.

3-2c(1) *Employee participation in appraisals.* Rating supervisors will discuss proposed appraisals with reviewers before discussions with employees. This will take place after parts I, II, and IV of DA Form 4969 are completed and before part III is completed. Employees will be expected to help their supervisors develop an IDP (part III of DA Form 4969) when requested to do so. Employees may enter written comments on official performance appraisals prior to signature by reviewers and approving officials. Employees will sign and date appraisals after they have been approved. If an employee refuses to sign an appraisal, it will be completed as stated in paragraph 4-3g(3).

3-2 *Review and approval of appraisals.* Normally, the reviewer is also the approving official for Fully Successful ratings. The appointing officer is the approval authority for ratings other than Fully Successful or may delegate this authority to a manager

in the employee's supervisory chain. Where the appointing officer is the rating supervisor, he or she is also the reviewer and approving official. When there is disagreement among rating officials on an appraisal, the disagreement will be resolved by the approving official. *add: (2) **

3-2c(2) *Postponements.* (1) A performance appraisal must be postponed until an employee has served a total of 120 days in a position. A rating may be postponed when—

(a) A newly assigned supervisor has had less than 120 days to observe the employee's performance against current requirements; or

(b) An employee's performance has been temporarily marginal or unsatisfactory (e.g., due to illness, alcoholism, or drug abuse) and the performance shows evidence of improvement.

(2) Postponements will not exceed 120 days unless special circumstances exist. All postponements require prior approval of the CPO and will be documented by changing the "Thru" date in item 2 of DA Form 4969. Whereas postponement will not affect future due dates, it automatically shortens the next rating period ("From" date) by the length of the postponement. When postponement of an appraisal is approved, the supervisor will immediately inform the employee and other rating officials.

3-2c(3) *Failure to complete written appraisal.*

(1) When a rating supervisor fails to complete a written appraisal when it is due, the CPO will followup to learn the reason for the failure. The CPO will advise and assist the rating official. If the delinquency is for a reason other than a regular postponement, action will be taken to—

(a) Complete the appraisal as soon as possible; and

(b) Assign the performance rating level which accurately describes the employee's performance for the rating period.

Unauthorized delays will be reported through supervisory channels to the appointing officer. Such delays will be reflected in the appraisals of delinquent rating officials.

(2) When the rating supervisor is not available (e.g., extended illness, death, or sudden resignation), the next level supervisor will prepare the appraisal.

3-3. *Documentation and storage of records.* Records developed during the performance appraisal process will be kept in a secure manner to pre-

AR 690-400
430.3

clude access by unauthorized persons.

a. Supervisors will record major and critical job elements, supporting tasks, performance standards, and changes to them on DA Form 4968 in duplicate. The original will be given to the employee at the beginning of the rating period and the supervisor will keep the copy.

b. Supervisors will use the SF 7-B (Employee Record) or other working documents, such as memos or notes, to record dates of observations, conferences, or assistance to employees. Details of discussions, agreements, or observations of performance (including examples of strengths and weaknesses) should be in writing and attached to the SF 7-B or kept separately. Employees will be given a copy of any written record documenting their performance. This documentation will be used in preparing the official performance appraisal. Documents concerning the employee's performance during the appraisal period should be destroyed after all grievance rights have expired, unless these documents are needed to support a later disciplinary, adverse, or other action. Temporary records, if used only by the supervisor, are supervisory management notes and not subject to the Freedom of Information or Privacy Acts.

c. Written performance appraisals (see para 3-2c) will be recorded on DA Form 4969.

(1) *Annual and probationary appraisals.* Complete these appraisals in triplicate. The supervisor will—

- (a) Give original to the employee;
- (b) Send a copy to the civilian personnel office; and
- (c) Keep a copy.

Exceptional and Unsatisfactory annual ratings are permanent documents filed on the right side of the employee's Official Personnel Folder (OPF). File Highly Successful, Fully Successful, and Marginal annual appraisals and probationary appraisals on the left side of the OPF to be destroyed when the employee leaves DA.

(2) *Interim and special appraisals.* Complete these appraisals in duplicate. Give original to the employee. Send copy of special appraisals to the employee's supervisor of record. When an interim appraisal is completed by a departing supervisor, the copy will be left with the organization for the new supervisor. When an interim appraisal is completed for a departing employee, send copy to the servicing

civilian personnel office. It will be given to the employee's new supervisor.

d. When an error in an approved performance appraisal is detected during the next rating period, immediate action will be taken to correct the record. Errors may—

(1) Be major, typographical, or clerical which result in unintended changes in the content or due dates of appraisals; or

(2) Result from findings of grievance examiners, presiding officials, or arbitrators as part of grievance examining or complaint proceedings. Corrective action will include a revised DA Form 4969 clearly marked "CORRECTED COPY." It will have a narrative explanation attached stating any and all reasons for the changes made. After approval of a corrected DA Form 4969, destroy all erroneous copies immediately.

3-4. *Personnel decisions based on performance appraisal.* Federal law requires that the results of performance appraisal be used as a basis for training, rewarding, reassigning, promoting, reducing in grade, retaining, and removing employees. The employee's performance appraisal will be used to aid in these decisions concerning the employee. For example, recommendations will be made pertaining to the following:

a. *Training.* At the time of annual performance appraisal, the supervisor and employee prepare an IDP. After the appraisal is approved, the rating supervisor should start action to obtain training or arrange for developmental work assignments listed in the IDP. Also, supervisors should counsel employees regarding self-development activities that would contribute to their performance or career development. Training needs listed in the IDP should be sent to the CPO, Training & Development Branch, and included in the annual training needs survey.

b. *Regular within-grade increases.*

(1) *General schedule (GS).* In order to receive a within-grade increase, an employee's most recent appraisal must show that the employee's performance of duties and responsibilities is at an acceptable level of competence (Fully Successful or better); otherwise, a decision to grant an increase must be justified in writing by the supervisor. Also, a within-grade increase will be denied if the employee's current performance with respect to any critical element is unacceptable. (See FPM Supp 990-2, Book 531, subchap. S4.)

(2) *Federal Wage System*. Section 5343(e)(2) of Title 5, United States Code, states that a Federal employee will advance automatically to the next higher step in grade if he or she—

- (a) Is under a regular wage schedule;
- (b) Is rated satisfactory or better; and
- (c) Has completed the prescribed period of service.

If the employee's appraisal is postponed and the employee is otherwise eligible for a within-grade increase, the increase must be processed if the employee's current rating is Fully Successful (which equals satisfactory) or better (FPM Supp. 532-1, subchap. S8). But, the employee whose current rating is marginal or unsatisfactory is ineligible for a within-grade increase. If an employee who is ineligible for a within-grade increase because of a Marginal rating later receives a Fully Successful or better rating upon reevaluation (see para 3-2c(1)(b)), eligibility for the within-grade increase is established.

c. Performance recognition. Performance appraisal provides an assessment of how performance compares with performance standards. The decision to grant performance recognition, while based on performance appraisal, must also meet other criteria (see AR 672-20). If the supervisor determines that recognition is merited, the recommendation will be submitted within time frames stated in AR 672-20.

d. Promotion. Results of performance appraisals must be considered in evaluating eligible candidates for promotion. (See AR 690-300, chap. 335 and CPR 950-1.)

e. Probationary employees. Newly appointed employees, supervisors, and managers will be observed and appraised during their probationary periods in

order to determine whether they have the qualities needed to satisfactorily do the jobs to which they have been assigned. A newly appointed nonsupervisory employee must perform major job elements at an acceptable level or better and meet other probationary requirements to be recommended for retention. A new supervisor or manager must at least meet the performance standards for major job elements related to supervisory or managerial duties to remain in the supervisory or managerial position. Toward this end, the IDP of every new supervisor who has not had supervisory training will state that the training will be completed as early as possible in the probationary period. (See FPM chap. 315, subchap. 9.8 and subchap. 9.) *

f. Reduction in force. Employees with current annual ratings of Exceptional will have 4 years added to creditable service for reduction-in-force purposes. Two years will be added to creditable service for current annual ratings of Highly Successful. Employees receiving annual ratings of Fully Successful or lower receive no additional creditable service. (See FPM chap. 351.)

g. Reassignment, reduction in grade, or removal. When an employee continues to perform at an unsatisfactory level after being given a reasonable period of time to improve in the current job, action will be started to remove that employee from the position. (See AR 690-400, chap. 432.)

3-5. Grievances. Employees who are dissatisfied with their performance rating or other aspects of the performance appraisal process may file a grievance under the Army grievance procedure or the negotiated grievance procedure as appropriate. A grievance may not be filed concerning the identification of major and critical job elements or the establishment and content of performance standards.

* See 101

To Be Filed With Basic FPM Chapter 430

AR 690-400
430.4

SUBCHAPTER 4. FORMS AND INSTRUCTIONS

4-1. DA Form 4968 (Job Performance Planning Worksheet). *a. Purpose and use.*

(1) The rating supervisor completes this form in duplicate at the beginning of the rating period. It is used by the supervisor and employee throughout the rating period as a guide to reach performance goals. It will be used to—

(a) Record major job elements (including critical elements), supporting tasks, and performance standards; and

(b) Make changes to them during the rating period.

(2) On initial completion of the form or when changed during the rating period, both copies of the form go to the reviewer (in the employee's performance appraisal chain) for signature and return. (See figs. 4-1 and 4-2 for sample completed forms.)

b. Part I—Administrative data.

(1) Part I is administrative data to show the position (item 1) for which major job elements, critical elements, and performance standards have been established; the employing organization (item 2); the employee occupying the position (item 3); and the period (item 4) during which the employee will be appraised.

(2) The rating period (item 4) will normally be 1 year for annual appraisals, 8 months for probationary appraisals, and the period of the temporary assignment for special appraisals. "From" date is the 1st day of the rating period. "Thru" date is the last day of the rating period for which the worksheet is completed.

c. Part II—Performance requirements.

(1) Part II is completed by the rating supervisor with the employee taking part.

(2) At the beginning of the rating period, major job elements will be listed in item 5a. Indicate critical elements by entering "yes" or "no" in item 5b. List supporting tasks for each element in item 5c. State performance standards for each element in item 5d.

(3) If additional space is needed, check "Yes" in item 6 and continue, using DA Form 4968-1. Otherwise, check "No."

(4) "Personnel Management" and "Equal Employment Opportunity, Affirmative Action" will be critical elements for all supervisors.

d. Part III—Changes to performance requirements.

(1) When it becomes necessary to change elements, supporting tasks, or performance standards during the rating period, the rating supervisor completes part III after discussion with the employee. Annotate the applicable items in part II and make new entries after talking with the employee.

(2) *Item 7*—Identify any performance requirements changed during the rating period. Show the approximate date on which the changes occurred. Also, enter the major element to which each change applies. All changes must be initialed by the rating supervisor, the reviewer, and the employee. If the employee refuses to initial changes, the supervisor will note this and the date of refusal in part II.

(3) *Item 8*—Enter the reason for each change named in item 7.

e. Part IV—Authentication.

(1) *Item 9a*—The rating supervisor signs and dates the worksheet before sending it to the reviewer. The supervisor's signature shows that the employee has been given a chance to take part in identifying critical elements and establishing performance standards.

(2) *Item 9b*—The reviewer signs and dates both copies of the worksheet and returns it to the rating supervisor. Signature by the reviewer will show that the major job elements, critical elements, and performance standards are correct. Signature also attests that each is attainable, fair, and equitable compared to like or similar jobs in the organization.

(3) *Item 9c*—The employee signs and dates both copies of the worksheet. Employee keeps the original and returns the copy to the rating supervisor. The employee's signature verifies that the administrative data in part I are correct. The employee's signature does not necessarily indicate agreement with the critical elements and performance standards stated in part II. If the employee refuses to sign the worksheet, the rating supervisor will attempt to resolve the problem. If it cannot be resolved, the supervisor will—

(a) Note the employee's refusal in item 9c;

(b) Enter the date; and

(c) Give the original to the employee.

The date in item 9c will be the official date the crit

AR 690-400

430.4

ical elements and performance standards for the position were discussed with the employee.

4-2. DA Form 4968-1 (Job Performance Planning Worksheet—Part II Continuation). *a. Purpose and use.* This form is a continuation of part II of DA Form 4968. Complete it at the same time and in the same number of copies as DA Form 4968. Fasten it to DA Form 4968. Indicate page number and number of pages in upper right corner.

b. Instructions for completion.

(1) *Part I—Administrative Data.* Enter the same data shown in items 1, 3, and 4 on DA Form 4968.

(2) *Part II—Performance Requirements.* Follow instructions in paragraph 4-1c for item 5 of DA Form 4968.

4-3. DA Form 4969 (Employee Performance Appraisal). *a. Purpose and use.* Complete this form in triplicate after the rating period ends. It is the official record of the employee's accomplishments during the rating period for annual, probationary, interim, and special appraisals. It is designed so that pages (i.e., DA Form 4969-1, Employee Performance Appraisal—Part II Continuation) may be easily added. The number of pages depends on the space needed to—

- (1) Record major job elements and performance standards relating to the elements; and
- (2) Describe the employee's performance compared to performance requirements. (See figs. 4-3 and 4-4 for sample completed forms.)

b. Part I—Administrative data.

(1) Part I is administrative data to identify—

- (a) Rated employee;
- (b) Period for which the appraisal is rendered;
- (c) Position occupied;
- (d) Organization; and
- (e) Type of appraisal being completed.

(2) Part I will be completed by the servicing personnel office or the rating supervisor for annual and probationary appraisals. The rating supervisor will complete part I for interim and special appraisals.

(3) Detailed instructions for completing part I are as follows:

- (a) *Item 1.* Self-explanatory.
- (b) *Item 2.* The rating period is normally 1 year for annual appraisals and at least 120 days for probationary appraisals. However, it may be shorter

or longer due to circumstances, such as extension of the preceding appraisal period or postponement. The "From" date for annual, interim, and probationary appraisals is the day following the last day ("Thru") of the preceding appraisal or the date the employee entered the position. The "Thru" date for all types of appraisals is the last day of the rating period (including periods of authorized postponement) as discussed in paragraph 3-2c.

(c) *Items 3, 4, and 5.* Self-explanatory.

(d) *Item 6.* The rating supervisor completes this item when making the probationary appraisal during the 9th month (as of the end of the 8th month) of the employee's probationary period. Enter a check mark (✓) in the first block when the employee's performance of appropriate major job elements has been acceptable or better and it is recommended that the employee be kept in the position. When the employee has worked below an acceptable level and removal from the position is recommended, check the second block.

** c. Part II—Major elements summary.*

(1) *Items 7a, b, and c.* Transfer the rating period data from part II of DA Form 4968 by entering—

- (a) Major elements in item a;
- (b) "Yes" or "No" in item b; and
- (c) Performance standards for each element in item c.

This data should show current changes entered in part III, DA Form 4968.

** (2) Item 7d.* Describe the results achieved by the employee. Enter remarks that have a bearing on the employee's performance (i.e., strengths and weaknesses) during the rating period.

(Note. Statements here must be adequate to support actions recommended based on the employee's performance (e.g., nomination for a performance award, training, reassignment).)

(3) *Item 7e.* Compare the actual results achieved (item 7d) with the performance standards (item 7c.) In 7e, enter "Exceeded," "Met," "Not Met," or "NA" (not applicable) for each major job element listed in item 7a. NA entries must be fully explained in item 7d. Explanations that reveal the rating supervisor failed to make needed changes to major job elements and performance standards during the rating period will be considered when the rating supervisor is appraised.

(4) *Item 8.* If additional space is needed, check

** Sec
Chg I 01
dtr
25 Apr 83*

AR 690-400
430.4

"Yes" in item 8 and continue, using DA Form 4969-1. Otherwise check "No."

d. Part III—Individual Development Plan (IDP).

An IDP that will contribute to current or future performance will be developed and updated annually by the rating supervisor. This is done in consultation with the employee when completing the annual performance appraisal. Prepare an IDP as part of the 4-month probationary appraisal. This IDP will be reviewed and updated, as needed, when preparing the 8-month probationary appraisal. An IDP is not required when completing interim and special appraisals.

(1) *Item 9.* During the performance appraisal discussion, review the extent to which the previous IDP was completed. If completed, so indicate; if not, explain why not.

(2) *Item 10.* Specify training needed (course title if known) to develop, maintain, or improve employee competence.

(Note. Consult the servicing civilian personnel office concerning training courses or programs.)

(3) *Item 11.* Describe the type of assignments needed to improve competence or to develop desired qualifications.

(4) *Item 12.* Describe activities the employee may undertake to improve competence.

e. Part IV—Performance level. Check the block in item 13 that best describes the employee's overall performance as described in item 7d. Complete this part **ONLY FOR ANNUAL APPRAISALS**.

f. Part V—Employee comments. Give the employee a reasonable amount of time to enter comments in item 14 regarding items 7-13.

g. Part VI—Authentication.

(1) *Item 15a.* The rating supervisor signs and dates all copies of the appraisal and sends them to

the reviewer. The supervisor's signature certifies that the appraisal was discussed with the employee. This also shows that the employee was given a chance to enter comments in item 14.

(2) *Items 15b and c.* The reviewer and approving official, if different from the reviewer, sign and date all copies of the appraisal and return it to the rating supervisor.

(3) *Item 15d.* The employee signs and dates all copies of the appraisal, keeps the original, and returns the copies to the supervisor. The employee's signature does not necessarily indicate agreement with the appraisal or rating. If the employee refuses to sign the appraisal, the rating supervisor will attempt to resolve the problem. If it cannot be resolved the supervisor will—

- (a) Note the employee's refusal in item 15d;
- (b) Enter the date; and
- (c) Give the original to the employee.

The date in item 15d will serve as the official date that the employee was notified of the rating assigned.

4-4. DA Form 4969-1 (Employee Performance Appraisal—Part II Continuation). *a. Purpose and use.* Use this form as a continuation of part II of DA Form 4969. Complete it at the same time and in the same number of copies as DA Form 4969. Fasten it to DA Form 4969. Indicate page number and number of pages in upper right corner.

b. Instructions for completion.

(1) *Part I—Administrative Data.* Enter the same data shown in items 1, 2, and 3 on DA Form 4969.

(2) *Part II—Major Elements Summary.* Follow instructions in paragraph 4-3c for item 7 of DA Form 4969.

JOB PERFORMANCE PLANNING WORKSHEET				PAGE NO.	NO. OF PAGES
For use of this form, see AR 690-400, Chapter 430; the proponent agency is DCSPER.				1	2
PART I - ADMINISTRATIVE DATA					
1. POSITION TITLE, PAY PLAN, SERIES, GRADE, AND JOB DESCRIPTION NO.					
Electrician WG-2805-10 DA-108-C					
2. NAME AND LOCATION OF EMPLOYING ACTIVITY					
DPAE, Fort Swampy, Mississippi					
3. NAME (Last, First, MI) AND SSN					
Sparks, John NMI 111-00-1111					
4. RATING PERIOD					
FROM: 1 Sep 81 THRU: 31 Aug 82					
PART II - PERFORMANCE REQUIREMENTS			4. PERFORMANCE STANDARDS		
5. a. MAJOR JOB ELEMENTS	b. CRITICAL ELEMENT	c. SUPPORTING TASKS			
(1) Secondary power distribution systems installation and maintenance.	Yes	(1) Installs and maintains electric wiring systems, related switches, distribution panels, and outlet boxes.	(1a) Complete installations within 95 to 100% ^{99 to 100%} of estimated work order time.		
			(1b) Complete installation to meet National Electric Codes with no major or safety violations discovered by spot checks, complaints, or inoperative equipment.		
			(1c) Make installations according to plans, blueprints, or verbal instructions. No major deviations are permitted without prior approval of the supervisor.		
			(1d) Observe maintenance schedules according to set priorities and instructions 90 to 95% of the time.		
			(1e) Make on-the-spot corrections to defects found during maintenance checks. Inform correct personnel or office of the defects.		
			(2a) Run required inspections and tests of critical central system and equipment without deviation from schedules unless prior supervisory approval is granted.		
(2) Central power systems inspection and maintenance.	Yes	(2a) Diagnoses power systems for operation or malfunctions.	(2b) Complete all repairs within 93 to 95% of scheduled time, according to preventive maintenance, test schedules, and work order requests.		
		(2b) Repairs systems as required.			

6. DA FORM 4938-1 (JOB PERFORMANCE PLANNING WORKSHEET - PART II CONTINUATION) ATTACHED

Figure 4-1

DA FORM 4000

AR 690-400
430.4

PART III - CHANGES TO PERFORMANCE REQUIREMENTS			
7. MAJOR JOB ELEMENTS (including critical elements and performance standards) CHANGED DURING RATING PERIOD			
<p>Change to Major Job Element 5a(1) on 24 Jan 82. Performance Standard 5d(1a) changed to read: (1a) All installations completed within 98 to 110% of estimated work order time.</p>		<p>Supervisor <u>Raf</u> Reviewer <u>HJ</u> Employee <u>[Signature]</u></p>	
8. RATIONALE FOR CHANGES MADE			
<p>The change to Performance Standard 5d(1a) was made after review of all completed installations showed the preparers of work orders were underestimating work and installers could not meet the original performance standard. The time frame to train estimators to give better estimates will not be before Oct 82. Therefore, this performance standard is changed for this rating period.</p>			
PART IV - AUTHENTICATION			
SIGNATURES			DATE
a. RATING SUPERVISOR <u>Ralph A. Johnson</u>			<u>24 Aug 81</u>
b. REVIEWER <u>Harvey Henry</u>			<u>26 Aug 81</u>
c. EMPLOYEE ¹ <u>John Sparks</u>			<u>26 Aug 81</u>
<p>¹ Employee's signature indicates that a copy of the worksheet has been provided and that the major elements, critical elements, and performance standards have been discussed with him or her; if done not necessarily indicate agreement.</p>			

Figure 4-1.-Continued.

AR 690-400
430.4

JOB PERFORMANCE PLANNING WORKSHEET - PART II CONTINUATION		PAGE NO.	NO. OF PAGES
For use of this form, see AR 690-400, Chapter 430; the proponent agency is DCSPER.		2	2
PART I - ADMINISTRATIVE DATA			
1. POSITION TITLE, PAY PLAN, SERIES, GRADE, AND JOB DESCRIPTION NO.			
Electrician WG-2805-10 DA-108-C		THRU: 31 AUG 82	
3. NAME (Last, First, MI) AND SSN		4. RATING PERIOD	
Sparks, John NM 111-00-1111		FROM: 1 Sep 81	
PART II - PERFORMANCE REQUIREMENTS (Continued)			
a. MAJOR JOB ELEMENTS		d. PERFORMANCE STANDARDS	
(3) Test equipment operation. (4) Compliance with safety rules and instructions.		(3a) Use test equipment suitable for the job being done. At all times, use only current calibrated test equipment. (3b) Use test results to diagnose malfunctions and determine extent of needed repairs. (4a) Always wear required protective gear. Use only approved tools and equipment. (4b) Follow safety instructions when working with electrical systems and equipment. (4c) Report unsafe areas, activities, or equipment to proper personnel immediately when observed.	
(3) Uses Volt, OHM, Amp, and watt meters to test circuits and components. (4a) Uses required safety equipment. (4b) Complies with safety instructions. (4c) Observes unsafe working areas and conditions.			

Figure 4-2

DA FORM 4968-1
APR 81

4-7

AR 690-400
430.4

EMPLOYEE PERFORMANCE APPRAISAL		PAGE NO. NO. OF PAGES	
For use of this form, see AR 690-400, Chapter 430; the proponent agency is DCSPER.		1	2
PART I - ADMINISTRATIVE DATA 1. NAME (Last, First, MI) AND SSN Sparks, John NM 111-00-1111 2. POSITION TITLE, PAY PLAN, SERIES, GRADE, AND JOB DESCRIPTION NO. Electrician WG-2805-10 DA-108-C 3. NAME AND LOCATION OF EMPLOYING ACTIVITY DPAE Fort Swampy, Mississippi 4. TYPE OF APPRAISAL <input checked="" type="checkbox"/> ANNUAL <input type="checkbox"/> PROBATIONARY <input type="checkbox"/> INTERIM <input type="checkbox"/> SPECIAL 5. PROBATIONARY PERIOD RECOMMENDATION (For probationary employees, including new supervisors) <input type="checkbox"/> RETENTION IN POSITION IS RECOMMENDED. <input type="checkbox"/> SEPARATION FROM POSITION IS RECOMMENDED (See attached SP 83)			
2. RATING PERIOD FROM: 1 Sep 81 THRU: 31 Aug 82			
PART II - MAJOR ELEMENTS SUMMARY			
7. MAJOR JOB ELEMENT	CRITICAL ELEMENT	6. PERFORMANCE STANDARDS	4. RESULTS ACHIEVED
(1) Secondary power distribution systems installation and maintenance.	Yes	(1a) Complete installations with in 98-110% of estimated work order time. (1b) Complete installations to meet National Electric Codes with no major or safety violations discovered by spot checks, complaints, or inoperative equipment. (1c) Make installations according to plans, blueprints, or verbal instructions. No major deviations are permitted without prior approval of the supervisor. (1d) Observe maintenance schedules according to set priorities and instructions 90 to 95% of the time.	(1a) Employee completed 850 installations and only 15 ran over the given standard. These were reviewed with the employee and corrective actions have been taken which mainly were outside the actions of the employee. (1b) No major safety code violations were found on any work done by this employee. Ten minor violations were found, but all were corrected by the employee and caused no breakdown of equipment, unsafe working conditions, or reduction to DPAE mission requirements. (1c) Performance in this area met standards. All deviations were cleared with supervisor. (1d) All priority maintenance schedules were met, however, routine checks were at the 90% standard many times. This will be reviewed to see if standard needs to be changed or if corrective action can be taken by the employee.
		6. ELEMENT RATING	
		Met	

8. DA FORM 4969-1, EMPLOYEE PERFORMANCE APPRAISAL, PART II (CONTINUATION) ATTACHED

REPLACES DA FORM 1052, 1 MAY 59, WHICH IS OBSOLETE.

Figure 4-3

DA FORM 4969
APR 81

AR 690-400
430.4

PART III - INDIVIDUAL DEVELOPMENT PLAN (IDP)	
10. FORMAL TRAINING NEEDED OR RECOMMENDED	
9. STATUS OF PREVIOUS PLAN (Explain extent to which previous IDP was accomplished)	<p>A. THOR Alarm System, 1st Qtr, FY 83, 5 days, THOR Factory.</p> <p>B. Automatic Power Switching Equipment, 1st Qtr, FY 83, 10 days, Buss Switching Co.</p> <p>C. Electrical testing devices, 2nd Qtr, FY 83, 10 days, Ft. Rucker (Course FRTE-SSW).</p>
11. DEVELOPMENTAL ASSIGNMENTS	<p>12. SELF-DEVELOPMENT ACTIVITIES</p> <p>Correspondence course from National Schools on Digital Test Equipment.</p>
<p>NOTE: PROMPTLY FORWARD INFORMATION IN COMPLETED IDP TO CPO, ATTN: T&D BR</p>	
<p>PART IV - PERFORMANCE LEVEL</p> <p>EXCEPTIONAL <input type="checkbox"/> HIGHLY SUCCESSFUL <input type="checkbox"/> FULLY SUCCESSFUL <input checked="" type="checkbox"/> MARGINAL <input type="checkbox"/> UNSATISFACTORY <input type="checkbox"/></p>	
<p>PART V - EMPLOYEE COMMENTS</p> <p>13. OFFICIAL RATING</p> <p>14. EMPLOYEE COMMENTS (Provide comments on your supervisor's appraisal of your performance and your jointly planned IDP)</p> <p>I recognize my need for improvement in power switching and overload devices and feel the programmed training will allow me to perform to all desired standards.</p>	
<p>PART VI - AUTHENTICATION</p>	
SIGNATURES	NAME, GRADE (If military), TITLE & ORGANIZATION
15. RATING SUPERVISOR: <i>Ralph A. Johnson</i>	Ralph A. Johnson, Foreman, DFAE
16. REVIEWER: <i>Harvey Henry</i>	Harvey Henry, General Foreman, DFAE
17. APPROVING OFFICIAL: <i>John Sparks</i>	John Sparks, Electrician
18. EMPLOYEE: <i>John Sparks</i>	DATE
	28 Sep 82
	5 Oct 82
	5 Oct 82
	7 Oct 82

1 The rating supervisor's signature certifies that the overall performance has been discussed with the employee.
2 The employee's signature does not necessarily indicate agreement with the appraisal or rating.

Figure 4-3.-Continued.

AR 690-400
430.4

EMPLOYEE PERFORMANCE APPRAISAL - PART II CONTINUATION		PAGE NO.	NO. OF PAGES
For use of this form, see AR 690-400, Chapter 430: the proponent agency is DCSPER.		2	2
PART I - ADMINISTRATIVE DATA			
1. NAME (Last, First, MI) AND SSN Sparks, John NMI 111-00-1111		THRU: 31 AUG 82	
2. RATING PERIOD FROM: 1 Sep 81			
PART II - MAJOR ELEMENTS SUMMARY (Continued)			
7. MAJOR JOB ELEMENT	CRITICAL ELEMENT	6. PERFORMANCE STANDARDS	4. ACTUAL RESULTS ACHIEVED
(2) Central power systems inspection and maintenance.	Yes	<p>(1e) Make on-the-spot corrections to defects found during maintenance checks. Inform correct personnel or office of the defects.</p> <p>(2a) Run required inspections and tests of critical central system and equipment without deviation from schedules unless prior supervisory approval is granted.</p> <p>(2b) Complete all repairs within 93 to 95% of scheduled time, according to preventive maintenance, test schedules, and work order requests.</p>	<p>(1e) Excellent performance. On one occasion the repair of a defective circuit resulted in large savings on repair cost and downtime. This also allowed this organization to complete a critical mission.</p> <p>(2a) He always met approved schedules for system tests. Whenever a deviation from the schedule was required, he made recommendations for corrections. These always were accepted by the supervisor or units requiring the power systems.</p> <p>(2b) While many repairs were done within this standard, he needed too much of his supervisor's time for guidance to maintain automatic power switching systems and overload devices. Employee needs more training or OJT on this equipment. This should allow him to reach this standard. The standards for this element were reviewed against other employees doing like work. Therefore, the supervisor feels the standard is correct for this task.</p>
(3) Test equipment operation.	No	<p>(3a) Use test equipment suitable for the job being done. At all times use only current calibrated test equipment.</p>	<p>(3a) Employee had trouble using some of the latest test equipment and understanding the THOR alarm system. While he had OJT on these, it is felt formal training on this equipment would allow him to meet desired standard for this task. Every effort will be made to provide him with this training ASAP. In the meantime, some more OJT will be given on the equipment he has problems with.</p>
			Met
			Not Met

Figure 4-4

DA FORM 4969-1
APR 81

AR 690-400
430.4

MAJOR ELEMENTS SUMMARY (Continued)			
7. MAJOR JOB ELEMENTS	CRITICAL ELEMENT	6. PERFORMANCE STANDARDS	5. ACTUAL RESULTS ACHIEVED
		(3b) Use test results to diagnose malfunctions and determine extent of needed repairs.	(3b) He had no problem meeting desired standards of task with the exception mentioned in (3a) above. When that is completed, he should fully meet this standard.
(4) Compliance with safety rules and instructions.	No	(4a) Always wear required protective gear. Use only approved tools and equipment. (4b) Follow safety instructions when working with electrical systems and equipment. (4c) Report unsafe areas, activities, or equipment to proper personnel immediately when observed.	Exceeded (4a) Has fully met all standards in this area. Because of his personal interest in safety, he volunteered for the safety committee. After reviewing his performance the General Foreman selected him to be Chairman of the Employee Safety Committee for DPAE. (4b) He exceeded all requirements for this task. He made many recommendations for improving safety instructions and methods. They were approved by the Director 97% of the time. (4c) Always insured unsafe areas and conditions were reported and corrective actions taken. Thru his efforts in this task, DPAE's safety record improved over this rating period. He initiated and has given instructions to fellow workers on first aid for electrical shock victims. This was well received by all in DPAE.

Figure 4-4.—Continued.

Immediate Action INTERIM CHANGE

HEADQUARTERS
DEPARTMENT OF THE ARMY
WASHINGTON, D. C., 25 APRIL 1983

AR 690-400
INTERIM CHANGE
NO. 101
EXPIRES 25 APRIL 1985

CIVILIAN PERSONNEL EMPLOYEE PERFORMANCE AND UTILIZATION

Justification. This interim change serves to continue in effect the change made by Interim Change 101 to AR 690-400 dated 8 February 1982 which allowed exclusion of Equal Employment Opportunity (EEO) as a critical element where a supervisor is not afforded an opportunity to demonstrate EEO performance, and made editorial changes to the initial printing of Chapter 430. This interim change also eliminates the requirement for a 4-month probationary appraisal; reduces the requirements for interim appraisals; and incorporates guidance published in DAPE-CPL letter dated 9 June 1982, subject: DA Forms 4968, 4968-1, 4969, and 4969-1, Pertaining to the General Performance Appraisal System (GPAS).

Expiration. This interim change expires 2 years from date of publication and will be destroyed at that time unless sooner rescinded or superseded by a permanent change.

1. Chapter 430 (Department of the Army General Performance Appraisal System) is changed as follows:

Page 1-1. Paragraph 1-3c is superseded as follows:

c. Critical element. A major job element that is of sufficient importance that performance below the minimum standard established by management requires remedial action and denial of a within-grade increase, and may be the basis for removing or reducing the grade level of the employee. Also, this action may be taken without regard to performance on other major job elements.

Page 1-2. Paragraph 1-3e, last sentence, is superseded as follows:

A major job element becomes a critical element when it is important enough to meet the definition in para 1-3c above. A major job element which does not meet that definition is a noncritical element.

Page 1-4. Paragraph 1-6b, line 8: Substitute "other" for "their."

Page 1-4. Paragraph 1-7b(2) is superseded as follows:

25 April 1983

IO1, AR 690-400

(2) Questionnaires to obtain the views and perceptions of supervisors, employees, and representatives of labor organizations; and

Page 2-1. Paragraph 2-1, line 12: Substitute "receiving" for "recording."

Page 2-1. Paragraph 2-1c, line 14, is amended to add "job" between "major" and "elements."

Page 2-1. Paragraph 2-1d, first sentence, is superseded as follows:

d. Performance requirements will be recorded on DA Form 4968 (Job Performance Planning Worksheet), communicated to the employee at the beginning of the rating period, and reviewed periodically by the supervisor and the employee.

Page 2-1. Paragraph 2-3b, lines 1 and 2, is amended to delete "justify withholding a within-grade increase or"

Page 2-2. Paragraph 2-6, last sentence, is superseded as follows:

Also, personnel management and equal employment opportunity and affirmative action will be identified as critical elements for all supervisory positions.

Page 2-2. Paragraph 2-6b, line 2, is amended to insert "(1)" between "action." and "Furthering." The end of this paragraph is amended to add:

The rater is encouraged to consult with the activity EEO Officer in setting meaningful and measurable standards.

(2) In evaluating employee performance, the rater should use specific criteria such as recruitment, promotion, training, and incentive award actions; program support demonstrated within the work force and the community; establishment of a harmonious environment free of discrimination; timely EEO policy communication; EEO performance requirements imposed on subordinate supervisory chain; and fair and equal treatment of people.

(3) In those very unusual and rare instances where there are no measurable standards, or where the civilian supervisor has no influence on affirmative action or EEO programs, the rater will fully explain and document why the mandatory EEO critical element is not applicable to the individual employee on DA Form 4968 and DA Form 4969.

Subchapter 3 is superseded as follows:

25 April 1983

SUBCHAPTER 3. PERFORMANCE APPRAISAL

3-1. In-progress reviews. a. Performance appraisal is a continuing process during which supervisors make judgments on the work of individual employees with relation to established performance standards for their positions. These judgments are a normal part of supervision and should be objectively made and freely discussed with employees. This type of communication strengthens supervisor-employee relationships and increases productivity. This can best be done in the context of job performance (i.e., at the time of certain incidents or with specific assignments). These informal appraisals should promote mutual understanding and prompt translation into action.

b. Besides informal and spontaneous discussions, rating supervisors should periodically appraise employees' overall performance and inform them of their progress toward achieving performance requirements. As a minimum, a prearranged conference will be held for this purpose at the midpoint of the annual rating period. Conferences will be held as often as needed to keep employees informed of their progress. If performance has become marginal or unsatisfactory, supervisors will counsel and assist the employee to improve performance before beginning action to remove the employee from the position. Counseling, training, and closer supervision are some improvement actions that should be considered. Feedback and assistance to employees should be documented according to paragraph 3-3b.

c. Rating supervisors will talk over changes to performance requirements with employees at the time changes occur. Changes will be treated in the same manner as initial development of performance requirements, to include employee participation. These changes may be necessitated by factors such as —

(1) Mission, organization, or technological changes; or

(2) Revisions to positions descriptions.

However, changes in performance requirements which were not introduced far enough in advance of the end of the rating period to give employees a fair chance to meet them may not serve as a basis for appraisal.

3-2. Written performance appraisals. a. At the end of the rating period, the supervisor will compare the employee's performance to the performance standards for the job before completing the written appraisal. The supervisor will consult the SF 7-B (Employee Record) and review interim or special appraisals and other performance documents.

101, AR 690-400

25 April 1983

(1) Staff officials who have special knowledge of the employee's performance during the rating period should assure that this information is provided promptly to rating officials. This could be —

- (a) Officials to whom the employee responds or provides services during the rating period;
- (b) The Equal Employment Opportunity Officer;
- (c) The Position Management Officer; or
- (d) The Safety Officer.

However, staff officials will not have an official role in rating, reviewing, and approving performance appraisals. Any data given must be fully documented and derived from an official source. Further, if the data are relied on to any extent by the rating supervisor, they should be given to the reviewer and approving official. They should also be made known to the employee before or during preparation of the written appraisal.

(2) After consideration of the information from all available sources, the rating supervisor recommends the performance rating level. When an employee's overall performance exceeded or failed to meet performance requirements, the servicing CPO staff should be consulted. The staff will advise about suitable recognition or corrective action. Employees who receive Exceptional performance ratings will be awarded a DA Form 4979 (Exceptional Performance Certificate).

b. Performance rating levels.

(1) Five performance rating levels have been established to describe the quality of overall performance.

(a) Exceptional. Performance that exceeds performance standards (other than absolute standards) for all major job elements.

(b) Highly Successful. Performance that exceeds performance standards (other than absolute standards) for all critical elements and meets standards for all other major elements.

(c) Fully Successful. Performance that at least meets performance standards for all major job elements.

(d) Marginal. Performance that meets performance standards for all critical elements and fails to meet the standards for one or more other major elements.

(e) Unsatisfactory. Performance that fails to meet performance standards for one or more critical elements.

(2) When preparing written appraisals, rating supervisors will use DA Form 4969. Employees are entitled to the rating which most accurately describes their performance compared to performance standards for the rating period. Numerical or percentage goals, quotas, or other similar restrictions on performance rating levels are prohibited.

IO1, AR 690-400

25 April 1983

(3) Annual ratings are effective as of the date approved and remain the employee's current, official rating until replaced by another annual rating or by an entrance rating. An entrance rating is an automatic official rating of Fully Successful which begins a new rating period on the effective date of the SF 50 (Notification of Personnel Action) for —

(a) Appointment, promotion, change to lower grade; or

(b) Reassignment to a position with different duties and responsibilities.

c. Types of appraisals. There are four types of written appraisals: annual, probationary, interim, and special. Interim and special appraisals will be considered by rating supervisors when preparing annual or probationary appraisals. Each will be provided for consideration by reviewers and approving officials. Written appraisals cover the entire rating period. Rated employees should be allowed reasonable time to provide comments.

(1) Annual appraisals.

(a) An annual appraisal will normally be prepared for each employee at least once during each 12-month period. It will be due not later than 45 days following the end of the rating period. Rating periods will be determined by the commander of each MACOM. This determination may further be delegated to local commanders. The minimum rating period is 120 days.

(b) Annual performance appraisals and career appraisals for employees in DA career program occupations will be completed at the same time to maximize the interface between performance and career appraisals. Rating periods will be established so that performance appraisals will be completed and copies made available for DA career program screening panels.

(c) Six months after a Marginal rating is approved, the rating supervisor will reevaluate the employee's performance. This rating period will begin the day after the end of the previous rating period. The reevaluation will be based on performance requirements established and documented on DA Form 4968 for this 6-month period. The rating will be due not later than 30 days following the end of the rating period. This will not affect future due dates for annual appraisals; however, it will shorten the rating period for the next regular annual appraisal by that 6-month period. It also requires preparation of a new DA Form 4968 for this shortened rating period.

(d) Rating supervisors will discuss proposed appraisals with reviewers before discussions with employees. This will take place after parts I, II, and IV of

101, AR 690-400

25 April 1983

DA Form 4969 are completed and before part III is completed. Employees will be expected to help their supervisors develop an IDP (part III of DA Form 4969) when requested to do so. Employees may enter written comments on official performance appraisals prior to signature by reviewers and approving officials. Employees will sign and date appraisals after they have been approved. If an employee refuses to sign an appraisal, it will be completed as stated in paragraph 4-3g(3).

(e) A performance appraisal must be postponed until an employee has been assigned to a position a total of 120 days. A rating may be postponed when —

(i) a supervisor has had less than 120 days to observe the employee's performance against current requirements; or

(ii) an employee's performance has been temporarily marginal or unsatisfactory (e.g., due to illness, alcoholism, or drug abuse) and the performance shows evidence of improvement.

Postponements will not exceed 120 days unless special circumstances exist. All postponements require prior approval of the CPO and will be documented by changing the "Thru" date in item 2 of DA Form 4969. Whereas postponement will not affect future due dates, it automatically shortens the next rating period ("From" date) by the length of the postponement. When postponement of an appraisal is approved, the supervisor will immediately inform the employee and other rating officials.

(2) Probationary appraisals.

(a) A probationary appraisal will normally be prepared at the end of eight months of the probationary period for new employees, supervisors, and managers. Except for new supervisors and managers, annual appraisals will not be completed while employees are serving probationary periods. The first annual appraisal rating period for probationary employees will begin on the 1st day of the 9th month of the probationary period. It will end after completion of the probationary period on the date scheduled for the employee's annual rating.

(b) Certification to retain in, or remove a probationer from a position will be made at the end of 8 months of employment (during the 9th month). This requirement does not preclude a decision to remove the probationer from the position at any time during the probationary period (see FPM chap. 315).

(c) Major and critical elements and performance standards will be developed for the 8-month appraisal period so that meaningful probationary appraisals can be made. Probationary appraisals for new supervisors and managers must cover their supervisory or managerial

25 April 1983

performance. They may also cover other aspects of performance.

(3) Interim appraisals. Interim performance appraisals will be completed for employees when —

(a) The supervisor is leaving a position or an employee is reassigned to another DA position at the same grade level with essentially identical duties and responsibilities;

(b) There has been at least a 120-day working relationship between the supervisor and employee during the rating period; and

(c) The employee has not been rated in the position occupied or one or more major job element ratings have changes since the employee's last official rating in the position.

Rating periods may end 2 weeks prior to departure of the supervisor or employee to allow time for preparation of the appraisal. Appraisals will be completed and distributed (see para. 3-3c(2)) within 2 weeks following departure of the supervisor/employee.

(4) Special appraisals. Special appraisals will be completed during the last week of a temporary assignment such as detail or temporary promotion to an established position for a period of 120 days or more.

d. Review and approval of appraisals.

(1) Annual appraisals. Normally, the reviewer is also the approving official for Fully Successful ratings. The appointing officer is the approval authority for ratings other than Fully Successful or may delegate this authority to a manager in the employee's supervisory chain. Where the appointing officer is the rating supervisor, he or she is also the reviewer and approving official. When there is disagreement among rating officials on an appraisal, the disagreement will be resolved by the approving official.

(2) Probationary, interim, and special appraisals. Review and approval of these appraisals are not required.

e. Failure to complete written appraisal.

(1) When a rating supervisor fails to complete a written appraisal when it is due, the CPO will followup to learn the reason for the failure. The CPO will advise and assist the rating official. If the delinquency is for a reason other than a regular postponement, action will be taken to —

(a) Complete the appraisal as soon as possible; and

(b) Assign the performance rating level which accurately describe the employee's performance for the rating period.

101, AR 690-400

25 April 1983

Unauthorized delays will be reported through supervisory channels to the appointing officer. Such delays will be reflected in the appraisals of delinquent rating officials.

(2) When the rating supervisor is not available (e.g., extended illness, death, or sudden resignation), the next level supervisor will prepare the appraisal.

3-3. Documentation and storage of records. Records developed during the performance appraisal process will be kept in a secure manner to preclude access by unauthorized persons.

a. Supervisors will record major and critical job elements, supporting tasks, performance standards, and changes to them on DA Form 4968 in duplicate. The original will be given to the employee at the beginning of the rating period and the supervisor will keep a copy.

b. Supervisors will use the SF 7-B (Employee Record) or other working documents, such as memos or notes, to record dates of observations, conferences, or assistance to employees. Details of discussions, agreements, or observations of performance (including examples of strengths and weaknesses) should be in writing and attached to the SF 7-B or kept separately. Employees will be given a copy of such written records documenting their performance. This documentation will be used in preparing the official performance appraisal. Documents concerning the employee's performance during the appraisal period should be destroyed after all grievance rights have expired, unless these documents are needed to support a later disciplinary, adverse, or other action. Temporary records, if used only by the supervisor, are supervisory management notes and not subject to the Freedom of Information or Privacy Acts.

c. Written performance appraisals (see para 3-2c) will be recorded on DA Form 4969.

(1) Annual and probationary appraisals. Complete these appraisals in triplicate. The supervisor will —

(a) Give original to the employee;

(b) Send a copy to the civilian personnel office;

and

(c) Keep a copy.

(2) Interim and special appraisals. Complete these appraisals in duplicate. Give original to the employee. Send copy of special appraisals to the employee's supervisor of record. When an interim appraisal is completed by a departing supervisor, the copy will be left with the organization for new supervisor. When an interim appraisal is completed for a departing employee, send copy to the servicing civilian personnel office. It will be given to the employee's new supervisor.

d. When an error in an approved performance appraisal is detected during the next rating period, immediate action will be taken to correct the record. Errors may —

IO1, AR 690-400

25 April 1983

(1) Be major, typographical, or clerical which result in unintended changes in the content or due dates of appraisals; or

(2) Result from findings of grievance examiners, presiding officials, or arbitrators as part of grievance examining or complaint proceedings.

Corrective action will include a revised DA Form 4969 clearly marked "CORRECTED COPY." It will have a narrative explanation attached stating any and all reasons for the changes made. After approval of a corrected DA Form 4969, destroy all erroneous copies immediately.

3-4. Personnel decisions based on performance appraisal. Federal law requires that the results of performance appraisal be used as a basis for training, rewarding, reassigning, promoting, reducing in grade, retaining, and removing employees. The employee's performance appraisal will be used to aid in these decisions concerning the employee. For example, recommendations will be made pertaining to the following:

a. Training. At the time of annual performance appraisal, the supervisor and employee prepare an IDP. After the appraisal is approved, the rating supervisor should start action to obtain training or arrange for developmental work assignments listed in the IDP. Also, supervisors should counsel employees regarding self-development activities that would contribute to their performance or career development. Training needs listed in the IDP should be sent to the CPO, Training & Development Branch, and included in the annual training needs survey.

b. Regular within-grade increases.

(1) General schedule (GS). In order to receive a within-grade increase, an employee's most recent appraisal must show that the employee's performance of duties and responsibilities is at an acceptable level of competence (Fully Successful or better); otherwise, a decision to grant an increase must be justified in writing by the supervisor. Also, a within-grade increase will be denied if the employee's current performance with respect to any major job element is unacceptable. (See FPM Supp 990-2, Book 531, subchap. S4.)

(2) Federal Wage System. Section 5343(e)(2) of Title 5, United States Code, states that a Federal employee will advance automatically to the next higher step in grade if he or she —

- (a) Is under a regular wage schedule;
- (b) Is rated satisfactory or better; and
- (c) Has completed the prescribed period of service.

101, AR 690-400

25 April 1983

If the employee's appraisal is postponed and the employee is otherwise eligible for a within-grade increase, the increase must be processed if the employee's current rating is Fully Successful (which equals satisfactory) or better (FPM Supp. 532-1, subchap. S8). But, the employee whose current rating is Marginal or Unsatisfactory is ineligible for a within-grade increase. If an employee who is ineligible for a within-grade increase because of a Marginal rating later receives a Fully Successful or better rating upon reevaluation (see para 3-2c(1)(c)), eligibility for the within-grade increase is established.

c. Performance recognition. Performance appraisal provides an assessment of how performance compares with performance standards. The decision to grant performance recognition, while based on performance appraisal, must also meet other criteria (see AR 672-20). If the supervisor determines that recognition is merited, the recommendation will be submitted within time frames stated in AR 672-20.

d. Promotion. Results of performance appraisals must be considered in evaluating eligible candidates for promotion. (See AR 690-300, chap. 335 and CPR 950-1.)

e. Probationary employees. Newly appointed employees, supervisors, and managers will be observed and appraised during their probationary periods in order to determine whether they have the qualities needed to satisfactorily do the jobs to which they have been assigned. A newly appointed nonsupervisory employee must perform major job elements at an acceptable level or better and meet other probationary requirements to be recommended for retention. A new supervisor or manager must at least meet the performance standards for major job elements related to supervisory or managerial duties to remain in the supervisory or managerial position. Toward this end, the IDP of every new supervisor who has not had supervisory training will state that the training will be completed as early as possible in the probationary period. (See FPM chap. 315, subchap. 8 and 9.)

f. Reduction in force. Employees with current annual ratings of Exceptional will have 4 years added to creditable service for reduction-in-force purposes. Two years will be added to creditable service for current annual ratings of Highly Successful. Employees receiving annual ratings of Fully Successful or lower receive no additional creditable service. (See FPM chap. 351.)

g. Reassignment, reduction in grade, or removal. When an employee continues to perform at an unsatisfactory level after being given a reasonable period of time to improve in the current job, action will be started to remove that employee from the position. (See AR 690-400, chap. 432.)

IO1, AR 690-400

25 April 1983

3-5. Grievances. Employees who are dissatisfied with their performance rating or other aspects of the performance appraisal process may file a grievance under the Army grievance procedure or the negotiated grievance procedure as appropriate. A grievance may not be filed concerning the identification of major and critical job elements or the establishment and content of performance standards.

Page 4-2. Paragraph 4-3c(1), line 1, is superseded as follows:

- (1) Items 7a, b, and c. Cross reference these items to items 5a, b, and d of DA Form 4968 and attach a copy of that form or transfer the rating

Page 4-2. Paragraph 4-3c(2) is amended as follows:

- (2) Item 7d. Describe the results achieved by the employee when the employee's performance exceeded or did not meet the performance requirements for an element.

2. Post these changes per DA Pam 310-13.

3. File this interim change in front of the "400" series of chapters in the basic Federal Personnel Manual.

(DAPE-CPL)

By the Order of the Secretary of the Army:

E. C. MEYER
General, United States Army
Chief of Staff

Official:

ROBERT M. JOYCE
Major General, United States Army
The Adjutant General

Distribution:

Active Army, ARNG, USAR: To be distributed in accordance with DA Form 12-4 requirements for the FPM.

To Be Filed After Basic FPM Chapter 430

AR 690-400
432

CHAPTER 432*

REDUCTION IN GRADE AND REMOVAL BASED ON
UNACCEPTABLE PERFORMANCE

Contents		Page
SUBCHAPTER 1. GENERAL PROVISIONS		1-1
1-1. Policy		1-1
1-2. Scope		1-2
1-3. Definitions		1-2
1-4. Procedures		1-2
1-5. Unacceptable Performance Related to Alcohol and Drug Abuse		1-3
1-6. Appeal and Grievance Rights		1-3
1-7. Records		1-3

NOTICE

Actions which were started before publication of this chapter may be completed under CPR 752-1. When, however, a period of time has passed in which the employee could have demonstrated acceptable performance under a performance appraisal system established pursuant to the Civil Service Reform Act of 1978, the procedures in this chapter should be used. While the procedures in CPR 752-1 remain available, the higher burden of proof to sustain a CPR 752-1 adverse action on appeal (preponderance rather than substantial) make the procedures in this chapter preferable.

*This chapter does not supplement the FPM.

SUBCHAPTER 1. GENERAL PROVISIONS

1-1. Policy. *a.* Employees will be assigned and utilized at their highest performance levels consistent with governing regulations and the needs of the service. Supervisors will identify major and critical elements and establish written standards of performance for all critical elements. Employees will participate in the development of these standards and be given a copy of the performance standards for their positions. They will be informed when their performance is unacceptable in one or more critical elements. (For the definition of unacceptable performance, see para 1-3a).

b. Management should attempt (through counseling, increased supervisory assistance, on- or off-the-job training, etc.), to improve an employee's performance whenever it is less than fully satisfactory. If, after a reasonable time, performance remains unacceptable, the employee should be removed from the position. If there are appropriate vacancies in the area serviced by the CPO, efforts should be made to reassign the employee to a more suitable position. If no chance for reassignment exists, demotion should be considered before removal from service.

c. The decision to demote rather than remove an employee from the Federal service is based on the availability of a vacant position, the duties of which the employee could and would successfully perform. Action to remove the employee from the Federal service must be started if—

- (1) There are no vacancies, or
- (2) Management decides that the employee could not adequately perform the duties of available vacant positions.

1-2. Scope. *a. Action coverage.* This chapter covers removal and reductions in grade based solely on unacceptable performance. The exceptions follow:

(1) A reduction of a supervisor or manager, who has not completed the probationary period, to the grade held immediately prior to the present assignment.

(2) An action against an employee in the competitive service who—

(a) Is serving a probationary or trial period under an initial appointment, or

(b) Has not completed 1 year of current continuous employment other than a temporary appointment limited to 1 year or less.

(3) An action against an employee in the excepted service who has not completed 1 year of current continuous employment in the same or similar positions.

(4) An action initiated by the Special Counsel, Merit Systems Protection Board (MSPB) under the authority of 5 USC 1206.

(5) An action taken under 5 USC 7532 in the interest of national security.

(6) An action taken under a provision of a statute which excepts the action from Title 5 USC.

(7) A removal from the Senior Executive Service to a civil service position outside the Senior Executive Service.

(8) A reduction in force action.

(9) A voluntary action initiated by the employee.

(10) An adverse action for cause initiated under Part 752 of the OPM regulations.

(11) An action which terminates a temporary promotion within a maximum period of 2 years, and—

(a) Returns the employee to the position from which he or she was temporarily promoted, or

(b) Reassigns or demotes the employee to a different position at a grade or pay no lower than the position from which he or she was temporarily promoted.

(12) An involuntary retirement because of disability.

(13) A termination under the conditions of employment specified at the time of appointment.

b. Employee coverage. This chapter applies to DA civilian employees paid from appropriated funds who are covered by an appraisal system established pursuant to the Civilian Service Reform Act of 1978. The exceptions follow:

(1) Employees outside CONUS who are paid in accordance with local national prevailing wage rates for the area in which employed.

(2) Temporary employees, consultants, and experts.

(3) Army National Guard technicians employed under 32 USC 709.

(4) Employees in the Senior Executive Service.

(5) Employees appointed by the President.

(6) Employees in positions outside the competitive service and excluded from coverage under this chapter by OPM regulations.

AR 690-400
432.1

(7) Reemployed annuitants.

1-3. Definitions. *a. Unacceptable performance.* Performance which fails to meet established performance standards for one or more critical elements of an employee's position.

b. Reduction in grade. The involuntary assignment of an employee to a position at a lower classification or grade level.

c. Removal. The involuntary separation of an employee from employment.

d. Reasonable time. The amount of time sufficient to show whether the employee can meet minimum performance standards. (The length of time to be allowed will vary with the complexity of the position. A few weeks may be adequate time for an employee doing simple clerical tasks to show acceptable performance. In contrast, several months or more may be required to determine whether a person with complex, technical, or scientific duties and responsibilities can show acceptable performance).

e. Days. Calendar days.

1-4. Procedures. *a.* Action may be initiated at any time to remove or reduce in grade an employee whose performance is unacceptable in one or more critical elements. To do so the following requirements must be met:

(1) The employee must be—

(a) Informed in writing of the applicable critical elements and standards of performance.

(b) Informed of performance deficiencies.

(c) Allowed reasonable time to demonstrate acceptable performance.

(2) The employee's performance remains unacceptable in spite of counseling and other management assistance.

b. Employees against whom action is proposed are entitled to the following:

(1) 30 days advance written notice of the proposed action which identifies—

(a) Specific instances of unacceptable performance on which the proposed action is based.

(b) The critical elements of the employee's position involved in each instance of unacceptable performance.

(2) Representation by a person of the employee's choice, so long as such service by the representative does not—

(a) Result in a conflict of interest or position,

(b) Conflict with priority needs of the Government, or

(c) Give rise to unreasonable costs.

The employee will designate his or her representative and any changes in representative in writing. A copy should be provided to the employee's supervisor. Section 7114(a)(5), Title 5, United States Code, and the terms of any applicable collective bargaining agreement govern representation for employees in an exclusive bargaining unit.

(3) Not less than 7 days to answer orally and in writing,

(4) A written decision as soon as possible, but not later than 30 days after the notice period expires. The decision must—

(a) Specify the instances of unacceptable performance on which the action is based. Only instances of unacceptable performance which occurred in the 1 year period before the date of the advance notice may be used to support the decision. Only those instances included in the advance notice may be relied on to support the final decision.

(b) Be concurred in by a higher level official than the one who proposed the action. If the decision is not rendered by a higher level official, the higher level official's concurrence must be documented. (This requirement does not apply when the action is proposed by the Secretary of the Army.)

c. Improvement in the employee's performance during the notice period may be taken into account along with the employee's answer in the final decision. If, as a result of the employee's reply or improvement in his or her performance, it is decided to withdraw or cancel the action, the employee should be so notified in writing. This documentation will be maintained per paragraph 1-7b.

d. In order to avoid reversal on appeal, the letter of decision should—

(1) State the effective date of the action,

(2) Inform the employee of applicable grievance and appeal rights, and

(3) Be delivered to the employee at or before the time the action will be effective.

1-5. Unacceptable performance related to alcohol and drug abuse. The DA Alcohol and Drug Abuse Prevention and Control Program (AR 600-85) provides nondisciplinary procedures which offer rehabilitation assistance to employees with alcohol or drug-related problems. Actions to reduce in grade or remove employees for unacceptable performance resulting from alcohol or other drug abuse will be postponed 90 days for those enrolled and satisfactorily progressing in an approved re-

AR 690-400
432.1

habilitation program. See chapter 7, AR 600-85, before considering actions against employees for performance problems related to alcohol or other drug abuse.

1-6. Appeal and Grievance Rights. Employees who are preference eligibles or in the competitive service and who have been reduced in grade or removed from the Federal service under this chapter may submit an appeal to the MSPB. Appeals should be submitted not later than 20 days after the effective date of the appealable action. The filing date of the appeal is determined by the postal date shown on the certified mail. If the appeal is filed in person, the filing date will be the date it is received in the appropriate MSPB field office. Employees covered by a negotiated grievance procedure may elect to appeal to the MSPB or pursue the action under the negotiated grievance procedure, but not both. Employees in the excepted service who are not preference eligible have no appeal rights to the MSPB. When such employees are reduced in grade they must be informed of applicable grievance rights.

1-7. Records. a. When the action is effected, all

relevant documents will be placed in an adverse action file. This information will be furnished to the MSPB and to the affected employee upon request. As a minimum, the file must contain—

- (1) A copy of the notice of proposed action;
- (2) The employee's reply, when written;
- (3) A summary or transcript of the oral reply, if any;

- (4) The notice of decision;
- (5) Any supporting material relied upon; and
- (6) Documentation regarding the opportunity afforded the employee to demonstrate acceptable performance.

b. When action is not effected, all relevant documents mentioned in a above will be assembled and kept in an adverse action file. If the employee's performance remains acceptable for the period of 1 year from the date of the proposed notice—

- (1) The entire file must be destroyed, and
- (2) Entries or notations of the unacceptable performance (except the employee's official performance appraisal) will be removed from all records.